

AGENDA

REGULAR BOARD OF DIRECTORS MEETING

DELTA DIABLO

(a California Special District)

2500 Pittsburg-Antioch Highway | Antioch, CA | 94509

WEDNESDAY, APRIL 11, 2018

4:30 P.M.

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

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. PUBLIC COMMENTS

D. RECOGNITION

Introduction of Kathy Chang, Finance Manager (Carol Margetich)

E. CONSENT CALENDAR

- 1) **Receive** Notes from Finance Committee Meeting, April 4, 2018 (Denise Jones)
- 2) **Approve** District Monthly Check Register, February 2018 (Eka Ekanem)
- 3) **Receive** Second Quarter Fiscal Year 2017/2018 District Investment Report (Eka Ekanem)
- 4) **Adopt** Resolution Commending and Congratulating Mike Bakaldin, Deputy General Manager, on his Retirement from the District (Vince De Lange)
- 5) **Accept** as Complete and **Authorize** General Manager to File Notice of Completion, Steve P. Rados, Inc., Pittsburg Force Main Improvements, Project No. 14116 (Patricia Chapman)
- 6) **Authorize** General Manager to Execute Consulting Services Contract in an Amount Not to Exceed \$300,000, Engineering Services, Treatment Plant Roadway Maintenance, Project No. 18115 (Ian Bronswick)
- 7) **Authorize** General Manager to Execute Amendment No. 1 to Consulting Services Contract in the Amount of \$85,070, Engineering Services, NV5, Inc., Recycled Water Facility Emergency Backup Generator, Project No. 15126 (Sean Williams)
- 8) **Authorize** General Manager to Execute Construction Services Contract in an Amount Not to Exceed \$207,920, Synagro-WWT, Inc.; and **Authorize** General Manager or his Designee to Approve Contract Change Orders in an Amount Not to Exceed 10% of Contract Amount, Digester No. 2 Cleaning, Project No. 18111 (Sean Williams)

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



- 9) **Receive** Report on March 19, 2018 Sanitary Sewer Overflow, Bay Point (Terry Spurgeon)
- 10) **Approve** Additional Appropriation of \$40,000 from Recycled Water Capital Asset Replacement Fund, Unanticipated Recycled Water Facility Replacement, Project No. 18104 (Thanh Vo)
- 11) **Adopt** Resolution Repealing Resolution No. 9/97, Approval of Three Fiscal Year Budget Proposal (Carol Margetich)

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

- 1) **Approve** Minutes of Regular Board of Directors Meeting, March 14, 2018 (Denise Jones)
- 2) **Receive** Presentation on Proposed Fiscal Year 2018/2019 through 2022/2023 Capital Improvement Program and **Set** Public Hearing for June 13, 2018 to Consider Approval of Five-Year Capital Improvement Program (Thanh Vo)

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

Receive Report on National Pollutant Discharge Elimination System Compliance Inspection (Joaquin Gonzalez)

H. MANAGER'S COMMENTS

I. DIRECTORS' COMMENTS

J. CORRESPONDENCE

- 1) **Receive** Monthly Lobbyist Report dated March 2018, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024 (Jane Strommer)
- 2) **Receive** Letter dated March 15, 2018, California Sanitation Risk Management Authority, Pooled Liability Program Twenty-Sixth Dividend Declaration (Cheryl Rhodes Alexander)

K. CLOSED SESSION

None

L. ADJOURNMENT

The next regular monthly meeting will be **Wednesday, May 9, 2018, at 5:30 p.m.** *(Note later start time)*

April 11, 2018

INTRODUCTION OF KATHY CHANG, FINANCE MANAGER

RECOMMENDATION

Welcome Kathy Chang to the District.

Background Information

The Finance Division recently completed a recruitment to fill the vacant Finance Manager position.

Ms. Chang was selected as the most qualified candidate, as demonstrated through the written examination, oral interview, and follow-up interview process. Reference checks were performed confirming Ms. Chang's knowledge and experience and her ability to be a valuable team member.

Analysis

Ms. Chang began her employment with the District on March 6, 2018. Her academic credentials include a Bachelor of Arts degree in Business Administration from National Chung Hsing University and a Master of Science degree in Accounting from University of Oregon. She has over 20 years of experience in public finance. Prior to joining Delta Diablo, Ms. Chang was employed as the Finance Manager for Scotts Valley Water District.

Ms. Chang has already demonstrated strength in financial leadership, which will be essential to the District maintaining its strong financial position.

Financial Impact

Funding for the Finance Manager position is included in the adopted Fiscal Year 2017/2018 Business Services Department budget.

Attachments

None

Signature:



Carol Margetich, Business Services Director

cc: Kathy Chang, Finance Manager
District File No. HR.01-PEF-13238



April 11, 2018

RECEIVE NOTES FROM FINANCE COMMITTEE MEETING, APRIL 4, 2018

RECOMMENDATION

Note receipt and file.

Background Information

The Finance Committee Chair and Personnel Committee Chair are appointed every January by the Board of Directors. Committee meetings are held on an as-needed basis and are attended by the Committee Chair and members of staff.

Analysis

Committee meeting notes are provided as an informational report at regular Board Meetings as part of the Consent Calendar.

Financial Impact

None

Attachment

Finance Committee Meeting Notes, April 4, 2018

Signature:


Denise Cappucini Jones, Office Manager/Secretary to the Board



MEETING NOTES

BOARD OF DIRECTORS FINANCE COMMITTEE MEETING DELTA DIABLO

Plant Operations Center Conference Room
2600 Pittsburg-Antioch Highway
Pittsburg, California

WEDNESDAY, APRIL 4, 2018
4:30 P.M.

The meeting was called to order by Committee Chair D. Pete Longmire on Wednesday, April 4, 2018, at 4:37 p.m. in the Plant Operations Center Conference Room of Delta Diablo, 2600 Pittsburg-Antioch Highway, Pittsburg, CA. Also present were Vince De Lange, General Manager; Carol Margetich, Business Services Director; Denise Cappucini Jones, Office Manager/Secretary to the Board; Thanh Vo, Acting Engineering Services Director; and Kathy Chang, Finance Manager.

PUBLIC COMMENTS

None

REVIEW REPORT ON PREPARATION OF PROPOSED FISCAL YEAR 2018/2019 THROUGH 2022/2023 CAPITAL IMPROVEMENT PROGRAM

Mr. Vo outlined the goals of the District's five-year Capital Improvement Program (CIP) and discussed the internal development process and consideration of Board input. The CIP includes \$108 million in total planned capital improvements with over \$22 million funded by State Revolving Fund (SRF) and IBank loans. Thirteen new projects have been added with an estimated cost of \$10.8 million. The required Fiscal Year 2018/2019 (FY18/19) CIP budget appropriation is \$22 million.

Mr. Vo presented a breakdown of proposed cash flows by infrastructure area, noting that all proposed projects are intended to address the current and future reliability of the District's aging infrastructure. The largest project is the East County Bioenergy Project with an approximate cost of \$28 million. Key projects to address aging infrastructure include the Treatment Plant Electrical Switchgear Replacement Project (\$4.3 million), the Headworks Improvements Project (\$11.3 million), the Office Building Improvements Project (\$5.5 million), and the Facility Condition Assessment Project (\$800,000), which will assess the condition of the wastewater conveyance and treatment systems, and recycled water infrastructure.

Chair Longmire asked if staff has considered building security or information technology security upgrades as part of the District Office Building Improvements Project. Mr. De Lange responded that staff is developing a Strategic Business Plan Initiative to address any potential outstanding cybersecurity threats. Chair Longmire asked when the District last conducted an assessment of security vulnerabilities at its facilities. Mr. De Lange responded that he believed an assessment was conducted within the last few years. Chair Longmire shared that security improvements may not be a high priority at most agencies until there is an incident and he would like to see security improvements incorporated into the District Office Building Improvements project. Mr. Vo stated that staff can incorporate plant security improvements into the project request for proposals.



Mr. Vo described the Pump Station Improvement Projects in the wastewater conveyance system, which will address safety and reliability at a cost of \$11.7 million.

Future steps include presenting the proposed CIP to the Board at the April 11, 2018 meeting, which will initiate the public review period. The public hearing is proposed to be held at the June Board meeting along with consideration of adoption of the proposed CIP by the Board.

Chair Longmire requested that the future Board report include additional emphasis on the state of the District's aging infrastructure and the high-priority need to address aging infrastructure projects to ensure continued system reliability. He asked for an electronic copy of the presentation slides. Chair Longmire requested an additional slide be added to the future Board presentation highlighting the new CIP projects. He requested inclusion of the assessment of information technology and plant security improvements in the future Board presentation. Chair Longmire stated that the level of detail in the presentation was good and recommended that the same report, with requested additions, be presented to the full Board for consideration.

ADJOURNMENT

With no further business to come before the Finance Committee, the meeting was adjourned at 5:16 p.m.

(Recording Secretary:

Denise Cappucini Jones)

ITEM E/2

April 11, 2018

APPROVE DISTRICT MONTHLY CHECK REGISTER, FEBRUARY 2018

RECOMMENDATION

Approve District Monthly Check Register for the month ending February 28, 2018.

Background Information

The Check Register for the month of February 2018 is attached. The Check Register Report reflects payments for one month to the District's suppliers, consultants, service providers, and contractors. A total of 171 checks totaling \$2,209,455.49 were disbursed for February 2018.

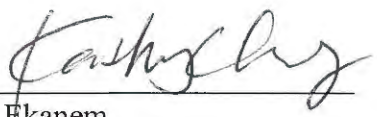
Financial Impact

All payments made during the month of February 2018 are within funding levels included in the adopted operating and capital budgets for Fiscal Year 2017/2018.

Attachment

Check Register, Month ending February 28, 2018

Prepared by:


for Eka Ekanem
Senior Accountant

Reviewed by:


Carol Margetich
Business Services Director



CHECK REGISTER

DELTA DIABLO

CASH DISBURSEMENTS FOR THE MONTH OF FEBRUARY 2018

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
2/1/2018	ACCOUNTING PRINCIPALS, INC.		29001	879.20
		42305	879.20	O/S TEMP
2/1/2018	ADVANTAGE ELECTRIC SUPPLY		29002	2,824.39
		42090	2,824.39	INJECTION WATER PUMP P6104 VFD
2/1/2018	AIRGAS USA, LLC		29003	3,566.33
		42298	3,566.33	INVENTORY
2/1/2018	ALEX KUSHNER		29004	47,927.50
		42009	47,927.50	CONSTRUCTION SERVICES - PROJEC
2/1/2018	AT&T		29005	1,038.13
		42260	1,038.13	PHONE EXP
2/1/2018	CALIFORNIA WATER TECHNOLOGIES, L.L.C.		29006	4,326.99
		42070	4,326.99	FERROUS CHLORIDE
2/1/2018	CALTEST ANALYTICAL LABORATORY		29007	455.40
		42011	147.60	PROVIDE LAB ANALYTICAL FOR NPD
		42012	307.80	PROVIDE LAB ANALYTICAL FOR NPD
2/1/2018	CAROLLO ENGINEERS		29008	47,255.00
		42058	920.00	PLANT COLOR CODE
		42061	46,335.00	PRIMARY CLARIFIER AREA IMPROVE
2/1/2018	CHEMTRADE CHEMICALS US LLC		29009	8,861.10
		42093	3,000.29	ALUMINUM SULFATE
		42094	2,807.30	ALUMINUM SULFATE
		42095	3,053.51	ALUMINUM SULFATE
2/1/2018	CINTAS CORPORATION # 38K		29010	801.55
		42068	441.28	UNIFORM/LAUNDRY SERVICE AGREEM
		42069	19.71	UNIFORM/LAUNDRY SERVICE AGREEM
		42108	340.56	UNIFORM/LAUNDRY SERVICE AGREEM
2/1/2018	ROBERT S COLLISON		29011	15,000.00
		42057	15,000.00	TESTING SERVICES
2/1/2018	CONTRACT SWEEPING SERVICES		29012	55,087.01
		42269	27,275.75	STREET SWEEPING SERVICES ANTIO
		42270	27,811.26	STREET SWEEPING SERVICES ANTIO
2/1/2018	DEPT OF GENERAL SERVICES		29013	10,997.11
		42318	10,997.11	UTILITIES
2/1/2018	ENVIRONMENTAL SYSTEMS RESEARCH INS		29014	10,000.00
		42271	10,000.00	ESRI GIS SEULA AGREEMENT AS PE
2/1/2018	FEDERAL EXPRESS		29015	47.55

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		42272		47.55	OE - POSTAGE
2/1/2018	GP CRANE & HOIST SERVICES		29016	1,411.92	
		42201		1,411.92	GP CRANE QUOTE # 102617DG DATE
2/1/2018	HDR ENGINEERING, INC.		29017	1,323.80	
		42273		1,323.80	TPS REHABILITATION PROJECT
2/1/2018	HDR ENGINEERING, INC.		29018	2,232.52	
		42203		2,232.52	ENGINEERING SERVICES - HDR
2/1/2018	LIEBERT, CASSIDY, WHITMORE		29019	2,495.00	
		42134		2,495.00	M&D - DISTRICT WIDE
2/1/2018	LINDE, INC.		29020	946.13	
		42302		946.13	LIQUID OXYGEN
2/1/2018	ANGELA LOWREY		29021	62.33	
		42300		62.33	T&M
2/1/2018	MANAGED HEALTH NETWORK		29022	428.00	
		42275		428.00	EAP
2/1/2018	MCMASTER CARR SUPPLY CO		29023	144.44	
		42304		144.44	INVENTORY
2/1/2018	MEYERS NAVE		29024	1,595.70	
		42076		1,595.70	LEGAL
2/1/2018	MSC INDUSTRIAL SUPPLY CO. INC.		29025	332.18	
		42074		332.18	INVENTORY
2/1/2018	OAKLEYS PEST CONTROL		29026	145.00	
		42277		145.00	STOP GAP PEST CONTROL SERVICES
2/1/2018	PACIFIC GAS & ELECTRIC COMPANY		29027	27,192.80	
		42319		27,192.80	UTILITIES
2/1/2018	PHIL'S DIESEL CLINIC INC.		29028	19,680.92	
		42136		19,680.92	EMER PO REPAIR OF ENGINE-VAC
2/1/2018	PITTSBURG WINSUPPLY		29029	2,753.66	
		42113		2,753.66	WINSUPPLY QUOTE # 7199 DATED 1
2/1/2018	CITY OF PITTSBURG		29030	697.69	
		42288		697.69	UTILITIES
2/1/2018	POLYDYNE INC		29031	14,823.17	
		42096		9,420.47	DRY POLYMER
		42097		5,402.70	LIQUID POLYMER
2/1/2018	PRECISION DESIGN		29032	303.06	
		41983		303.06	DESIGN AND PRINTING
2/1/2018	PRESIDIO SYSTEMS		29033	2,200.00	
		42285		2,200.00	RWF IPS PUMP P12104 VFD REPLAC
2/1/2018	PUBLIC EMPLOYEES UNION		29034	1,517.07	
		3163332		1,517.07	UNION DUES P&T

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
2/1/2018	PUBLIC EMPLOYEES UNION		29035	4,142.18	
		3163232	4,142.18		UNION DUES O&M
2/1/2018	REBUILD-IT SERVICES GROUP, LLC		29036	4,527.68	
		42308	4,527.68		REBUILD-IT QUOTE #QU121544 DAT
2/1/2018	RED WING SHOE STORE 165		29037	301.99	
		42036	146.12		SAFETY SHOES -R. BIELSKI
		42137	155.87		SAFETY SHOES - T. SCHOFIELD
2/1/2018	SCHAAF & WHEELER, CONSULTING CIVIL EI		29038	28,065.00	
		42293	28,065.00		DESIGN FOR PUMP STATION FACILI
2/1/2018	SHAPE INCORPORATED		29039	10,793.44	
		42083	10,793.44		INVENTORY
2/1/2018	STANDARD INSURANCE COMPANY		29040	4,287.22	
		42321	4,287.22		LIFE INS
2/1/2018	CA STATE DISBURSEMENT UNIT		29041	750.00	
		CS9648250	750.00		GARNISHMENT
2/1/2018	SYSTEM 1 STAFFING		29042	2,760.00	
		42303	2,760.00		O/S TEMP
2/1/2018	TURBO MACHINERY, INC		29043	52,203.12	
		42309	4,254.24		LABOR FOR PRIMARY CLARIFIER RE
		42310	6,913.14		LABOR FOR PRIMARY CLARIFIER RE
		42311	13,471.76		LABOR FOR RWF SAND FILTERS AND
		42312	8,685.74		LABOR FOR RWF SAND FILTERS AND
		42313	12,496.84		LABOR FOR HEADWORKS REPAIRS
		42314	6,381.40		LABOR FOR HEADWORKS REPAIRS
2/1/2018	UNIVAR USA INC		29044	11,887.29	
		42086	2,321.11		SODIUM HYPOCHLORITE
		42087	2,275.09		SODIUM HYPOCHLORITE
		42242	5,016.52		SODIUM BISULFITE
		42244	2,274.57		SODIUM HYPOCHLORITE
2/1/2018	VERIZON WIRELESS		29045	2,511.63	
		42316	2,511.63		UTILITIES
2/1/2018	VISION SERVICE PLAN		29046	1,901.54	
		42322	1,882.44		VISION INS
		42323	19.10		COBRA VISION
2/1/2018	WECK LABORATORIES, INC.		29047	4,149.02	
		42114	365.26		LABORATORY SERVICES FOR PRETRE
		42115	143.91		LABORATORY SERVICES FOR PRETRE
		42225	1,386.20		LABORATORY SERVICES FOR PRETRE
		42248	505.74		LABORATORY SERVICES FOR PRETRE
		42249	248.85		LABORATORY SERVICES FOR PRETRE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		42250	505.74		LABORATORY SERVICES FOR PRETRE
		42251	248.85		LABORATORY SERVICES FOR PRETRE
		42306	238.73		LABORATORY SERVICES FOR PRETRE
		42307	505.74		LABORATORY SERVICES FOR PRETRE
2/8/2018	ACCOUNTING PRINCIPALS, INC.		29048	1,318.80	
		42383	1,318.80		O/S TEMP
2/8/2018	ANTIOCH UNIFIED SCHOOL DIST		29049	128.00	
		42336	128.00		O/S
2/8/2018	BAY AREA AIR QUALITY MNGMENT		29050	20,995.00	
		42324	757.00		PERMIT
		42325	356.00		PERMIT
		42326	444.00		PERMIT
		42327	356.00		PERMIT
		42328	393.00		PERMIT
		42329	18,689.00		PERMIT
2/8/2018	SCOT ALLISON CAMPBELL		29051	1,926.48	
		42261	1,926.48		WASTEGATE RE-BUILD
2/8/2018	BROWN AND CALDWELL		29052	1,645.50	
		42190	1,645.50		CONSULTING SERV FOR PITTS FM
2/8/2018	CALTEST ANALYTICAL LABORATORY		29053	1,221.30	
		42230	307.80		PROVIDE LAB ANALYTICAL FOR NPD
		42231	913.50		PROVIDE LAB ANALYTICAL FOR NPD
2/8/2018	CAROLLO ENGINEERS		29054	31,412.56	
		42199	31,412.56		CONSULTING SERVICES HEADWORK I
2/8/2018	CENTER FOR HEARING HEALTH, INC		29055	1,171.00	
		42391	1,171.00		ON-SITE HEARING TESTING
2/8/2018	CHEMTRADE CHEMICALS US LLC		29056	5,775.43	
		42239	2,870.40		ALUMINUM SULFATE
		42240	2,905.03		ALUMINUM SULFATE
2/8/2018	CINTAS CORPORATION # 38K		29057	739.70	
		42109	338.06		UNIFORM/LAUNDRY SERVICE AGREEM
		42110	19.71		UNIFORM/LAUNDRY SERVICE AGREEM
		42191	381.93		UNIFORM/LAUNDRY SERVICE AGREEM
2/8/2018	CONCENTRA/OCCUPATIONAL HEALTH CENT		29058	103.50	
		42348	103.50		OCCUP SAFETY
2/8/2018	CONTRA COSTA HEALTH SERVICES		29059	922.00	
		42330	922.00		PERMIT
2/8/2018	CONVERGEONE INC		29060	2,375.27	
		42317	2,375.27		HARDWARE AND SECURITY UPGRADE
2/8/2018	CORELOGIC INFORMATION SOLUTIONS, INC		29061	185.00	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
		42385		185.00	REALQUEST PROPERTY INFORMATION
2/8/2018	GLADWELL GOVERNMENTAL SERVICES		29062	250.00	
		42353		250.00	O/S PROF
2/8/2018	GOLDEN STATE WATER CO.		29063	2,706.80	
		42397		2,127.76	UTILITIES
		42398		579.04	UTILITIES
2/8/2018	HUNT & SONS INC		29064	1,492.37	
		42337		1,492.37	BLANKET PO FOR LUBRICANTS
2/8/2018	INTERACTIVE RESOURCES INC.		29065	42,914.00	
		42204		42,914.00	ROOF REPLACEMENT DESIGN - PN 1
2/8/2018	KEN GRADY COMPANY		29066	338.63	
		42092		338.63	INVENTORY
2/8/2018	ANGELA LOWREY		29067	242.77	
		42340		242.77	T&M
2/8/2018	MAZE & ASSOCIATES		29068	2,132.00	
		42235		2,132.00	FY16/17 AUDIT SERVICES
2/8/2018	MCCAMPBELL ANALYTICAL, INC.		29069	28.80	
		42394		28.80	LAB ANALYTICAL SERVICES FOR PR
2/8/2018	MDRR PITTSBURG		29070	567.15	
		42401		567.15	WASTE
2/8/2018	NETRONIX INTEGRATION		29071	620.00	
		42206		620.00	REPAIR OF GATE #2 OPERATOR
2/8/2018	OWENS EQUIPMENT SALES		29072	13,556.72	
		42226		13,556.72	VACTOR RENTAL
2/8/2018	PACIFIC GAS & ELECTRIC COMPANY		29073	34,559.87	
		42402		34,559.87	UTILITIES
2/8/2018	PACIFIC GAS & ELECTRIC COMPANY		29074	800.00	
		42405		800.00	REGULATORY & PERMIT
2/8/2018	POLYDYNE INC		29075	21,981.09	
		42233		21,981.09	DRY POLYMER
2/8/2018	SAFWAY SERVICES, L.P		29076	4,548.61	
		42379		4,548.61	GRIT ROOM SCAFFOLDING
2/8/2018	TAC AMERICAS, INC.		29077	1,506.46	
		42361		1,506.46	POC HVAC SYSTEM SERVICE AGREEM
2/8/2018	SHARP ELECTRONICS CORP		29078	2,876.51	
		42237		2,876.51	SHARP MAINTENANCE SERVICES
2/8/2018	STERICYCLE ENVIRONMENTAL SOLUTIONS		29079	42,868.23	
		42333		42,868.23	TRANS/DISPOSAL/LABOR FOR HHW F
2/8/2018	JAYNE STROMMER		29080	102.96	
		42334		102.96	T&M

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
2/8/2018	SYSTEM 1 STAFFING		29081	2,208.00	
		42381	2,208.00		O/S TEMP
2/8/2018	TURBO MACHINERY, INC		29082	28,538.86	
		42362	15,598.88		LABOR FOR HEADWORKS REPAIRS
		42363	12,939.98		LABOR FOR PRIMARY CLARIFIER RE
2/8/2018	UNITED PARCEL SERVICE		29083	252.51	
		42392	252.51		OE - POSTAGE
2/8/2018	UNIVAR USA INC		29084	11,905.06	
		42098	2,274.57		SODIUM HYPOCHLORITE
		42245	2,274.09		SODIUM HYPOCHLORITE
		42247	2,274.09		SODIUM HYPOCHLORITE
		42253	5,082.31		SODIUM BISULFITE
2/15/2018	ACCOUNTING PRINCIPALS, INC.		29085	1,318.80	
		42483	1,318.80		O/S TEMP
2/15/2018	AIRGAS USA, LLC		29086	185.74	
		42290	185.74		INVENTORY
2/15/2018	ANAERGIA SERVICES, LLC		29087	35,000.00	
		42425	35,000.00		BIOGAS UTILIZATION STRATEGY
2/15/2018	JACQUELINE BAELO		29088	755.88	
		42346	755.88		T&M
2/15/2018	MARTHA G. BRONITSKY		29089	175.00	
		2486353	175.00		GARNISHMENT
2/15/2018	CALIF. ASSOC. OF SANITATION AGENCIES		29090	27,532.00	
		42426	19,282.00		M&D - DISTRICT WIDE
		42484	8,250.00		M&D BIOSOLIDS COALITION
2/15/2018	CALIFORNIA WATER TECHNOLOGIES, L.L.C.		29091	4,452.12	
		42266	4,452.12		FERROUS CHLORIDE
2/15/2018	CALTEST ANALYTICAL LABORATORY		29092	307.80	
		42262	307.80		PROVIDE LAB ANALYTICAL FOR NPD
2/15/2018	CHEMTRADE CHEMICALS US LLC		29093	6,026.58	
		42263	2,997.83		ALUMINUM SULFATE
		42264	3,028.75		ALUMINUM SULFATE
2/15/2018	CINTAS CORPORATION # 38K		29094	739.70	
		42196	384.43		UNIFORM/LAUNDRY SERVICE AGREEM
		42197	335.56		UNIFORM/LAUNDRY SERVICE AGREEM
		42198	19.71		UNIFORM/LAUNDRY SERVICE AGREEM
2/15/2018	CLASS C SOLUTIONS GROUP/		29095	239.05	
		42369	239.05		OPERATING STOCK
2/15/2018	CONCENTRA/OCCUPATIONAL HEALTH CENT		29096	320.50	
		42430	320.50		PRE EMPL COSTS

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
2/15/2018	CCCERA		29097	221,489.00	
		42422	221,489.00		RETIREMENT
2/15/2018	CUSTOM COFFEE PLAN		29098	317.28	
		42132	317.28		COFFEE SERVICE PLAN
2/15/2018	VINCENT DE LANGE		29099	144.00	
		42434	144.00		T&M
2/15/2018	TIMOTHY J. CLAY		29100	1,288.00	
		42435	1,288.00		SEMI-ANNUAL INSPECTION ON BOIL
2/15/2018	EDUCATION & TRAINING SERVICES, LLC		29101	2,495.00	
		42436	998.00		TRAINING
		42437	1,497.00		TRAINING
2/15/2018	FEDERAL EXPRESS		29102	28.78	
		42463	28.78		OE - POSTAGE
2/15/2018	DAN GARIG		29103	687.61	
		42438	443.61		VEHICLE SERVICE AND REPAIRS
		42439	244.00		VEHICLE SERVICE AND REPAIRS
2/15/2018	GRAINGER		29104	3,848.56	
		42280	1,863.77		INVENTORY
		42281	1,252.80		INVENTORY
		42282	406.73		INVENTORY
		42283	263.60		INVENTORY
		42284	61.66		INVENTORY
2/15/2018	ICE SAFETY SOLUTIONS INC		29105	900.00	
		42441	900.00		FIRST AID CPR AED TRAINING
2/15/2018	IN SHAPE HEALTH CLUBS		29106	1,080.00	
		42443	1,080.00		GYM
2/15/2018	IOFM-THE INSTITUTE OF FINANCE & MANAC		29107	695.00	
		42223	695.00		M&D
2/15/2018	LEGAL SHIELD		29108	347.10	
		42446	173.55		LEGAL MEMB
		42485	173.55		LEGAL MEMB
2/15/2018	DWAINE LONGMIRE		29109	199.62	
		42447	199.62		T&M
2/15/2018	MDRR PITTSBURG		29110	1,802.35	
		42449	1,802.35		WASTE
2/15/2018	OAKLEYS PEST CONTROL		29111	1,130.00	
		42278	315.00		STOP GAP PEST CONTROL SERVICES
		42279	815.00		STOP GAP PEST CONTROL SERVICES
2/15/2018	OWENS EQUIPMENT SALES		29112	13,556.72	
		42450	13,556.72		VACTOR RENTAL

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
2/15/2018	PACIFIC GAS & ELECTRIC COMPANY		29113	29,208.64	
		42464	58.09		UTILITIES
		42465	345.15		UTILITIES
		42466	28,805.40		UTILITIES
2/15/2018	PACIFIC GAS & ELECTRIC COMPANY		29114	5,000.00	
		42453	5,000.00		O/S
2/15/2018	PITTS. CHAMBER OF COMMERCE		29115	280.00	
		42135	280.00		M&D - A. LOWREY
2/15/2018	PITTSBURG WINSUPPLY		29116	4,073.96	
		42458	2,589.12		WINSUPPLY QUOTE # 7159 DATED 1
		42460	1,070.80		WINSUPPLY QUOTE # 7403 DATED 1
		42461	381.78		WINSUPPLY QUOTE # 7403 DATED 1
		42462	32.26		WINSUPPLY QUOTE # 7403 DATED 1
2/15/2018	POLYDYNE INC		29117	10,805.40	
		42287	10,805.40		LIQUID POLYMER
2/15/2018	PRAXAIR, INC.		29118	458.58	
		42360	458.58		PRAXAIR MONTHLY RENTALS
2/15/2018	RAIN FOR RENT		29119	685.44	
		42292	685.44		PROVIDE BI-LEVEL TANK PN 14116
2/15/2018	REPUBLIC SERVICES #210		29120	4,985.28	
		42468	917.58		WASTE
		42469	4,067.70		WASTE
2/15/2018	ROCKWELL SOLUTIONS INC.		29121	8,082.44	
		42291	8,082.44		INVENTORY
2/15/2018	SAK CONSTRUCTION LLC		29122	648,612.50	
		42301	648,612.50		ANTIOCH FORCE MAIN 102 REPAIR
2/15/2018	SHARP ELECTRONICS CORP		29123	97.88	
		42236	97.88		SUPPLIES
2/15/2018	CA STATE DISBURSEMENT UNIT		29124	750.00	
		CS9648251	750.00		GARNISHMENT
2/15/2018	SYNAGRO WEST, LLC		29125	43,773.62	
		42294	43,773.62		BIOSOLIDS HAULING
2/15/2018	TURBO MACHINERY, INC		29126	230,658.61	
		42364	23,725.99		BHPS P613 PUMP DISASSEMBLE/INS
		42365	934.00		P-613 NEW COUPLING BORE
		42375	16,440.87		LABOR FOR HEADWORKS REPAIRS
		42505	15,643.20		LABOR FOR DEWATERING AREA DEMO
		42509	15,244.36		LABOR FOR DEWATERING AREA DEMO
		42510	17,991.94		LABOR FOR DEWATERING AREA DEMO
		42512	16,042.03		LABOR FOR DEWATERING AREA DEMO

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		42513	17,814.64	LABOR FOR DEWATERING AREA DEMO
		42514	15,643.20	LABOR FOR DEWATERING AREA DEMO
		42515	18,944.83	LABOR FOR DEWATERING AREA DEMO
		42516	14,003.54	LABOR FOR DEWATERING AREA DEMO
		42517	15,820.46	LABOR FOR DEWATERING AREA DEMO
		42518	12,807.05	LABOR FOR HEADWORKS REPAIRS
		42519	16,130.66	LABOR FOR PRIMARY CLARIFIER RE
		42520	13,471.84	LABOR FOR ODOR CONTROL REPAIRS
2/15/2018	UNIVAR USA INC		29127	2,275.60
		42295	2,275.60	SODIUM HYPOCHLORITE
2/15/2018	VALI COOPER & ASSOCIATES, INC.		29128	2,533.13
		42372	2,533.13	CONSULTING SERVICES FOR PN 141
2/15/2018	VALLEY RUBBER & GASKET		29129	509.11
		42320	509.11	INVENTORY
2/22/2018	ACCOUNTING PRINCIPALS, INC.		29130	1,318.80
		42577	1,318.80	O/S TEMP
2/22/2018	CITY OF ANTIOCH- WATER		29131	9,823.16
		42538	1,119.04	UTILITIES
		42539	109.60	UTILITIES
		42540	8,265.72	UTILITIES
		42541	109.60	UTILITIES
		42542	109.60	UTILITIES
		42543	109.60	UTILITIES
2/22/2018	BARTEL ASSOCIATES, LLC		29132	2,900.00
		42380	2,900.00	ACTUARIAL SERVICES
2/22/2018	DARRELL CAIN		29133	253.62
		42521	15.00	MED REIMB
		42522	50.00	MED REIMB
		42576	188.62	T&M
2/22/2018	CALIFORNIA WATER TECHNOLOGIES, L.L.C.		29134	4,255.30
		42529	4,255.30	FERROUS CHLORIDE
2/22/2018	CALTEST ANALYTICAL LABORATORY		29135	903.60
		42403	450.00	PROVIDE LAB ANALYTICAL FOR NPD
		42533	453.60	PROVIDE LAB ANALYTICAL FOR NPD
2/22/2018	CAROLLO ENGINEERS		29136	40,079.03
		42571	40,079.03	PROJECT ALTERNATIVES ANALYSIS
2/22/2018	CHEMTRADE CHEMICALS US LLC		29137	9,040.50
		42341	3,013.91	ALUMINUM SULFATE
		42342	2,989.17	ALUMINUM SULFATE
		42420	3,037.42	ALUMINUM SULFATE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
2/22/2018	CINTAS CORPORATION # 38K		29138	789.80	
		42265	408.23		UNIFORM/LAUNDRY SERVICE AGREEM
		42267	361.86		UNIFORM/LAUNDRY SERVICE AGREEM
		42268	19.71		UNIFORM/LAUNDRY SERVICE AGREEM
2/22/2018	CONTRA COSTA WATER DISTRICT		29139	202.79	
		42544	202.79		UTILITIES
2/22/2018	CUEMA - CALIF UTILITY EXECUTIVES MNGM		29140	400.00	
		42526	400.00		M&D - V. DE LANGE
2/22/2018	DISCOVERY BENEFITS, INC.		29141	147.00	
		42424	147.00		FSA
2/22/2018	JOSEPH PETRONIO		29142	570.00	
		42350	570.00		CMMS SUPPORT & SERVICES
2/22/2018	EDUCATION & TRAINING SERVICES, LLC		29143	499.00	
		42498	499.00		TRAINING
2/22/2018	ENTERPRISE RENT A CAR GOV 43-1514861		29144	277.57	
		42339	277.57		T&M
2/22/2018	EVOQUA WATER TECHNOLOGIES, LLC		29145	607.49	
		42572	607.49		EMERGENCY REPAIRS TO DI WATER
2/22/2018	FEDERAL EXPRESS		29146	14.00	
		42573	14.00		OE - POSTAGE
2/22/2018	GADDIS INC		29147	11,004.98	
		42358	11,004.98		INVENTORY
2/22/2018	GRAINGER		29148	442.69	
		42352	442.69		INVENTORY
2/22/2018	TIMOTHY J. HAMMETT		29149	89.00	
		42523	89.00		MED REIMB
2/22/2018	HIRERIGHT, INC.		29150	161.97	
		42354	161.97		PRE EMPL COSTS
2/22/2018	JEFF IMACHI		29151	164.00	
		42524	164.00		MED REIMB
2/22/2018	INDUSTRIAL SAFETY SUPPLY		29152	652.00	
		42548	652.00		Inspection of Fall Protection
2/22/2018	KEY ADVOCATES INC.		29153	7,900.00	
		42355	7,900.00		FEDERAL ADVOCACY WRWC PN 90024
2/22/2018	LANLOGIC INC		29154	2,313.00	
		42400	2,313.00		SECURITY AWARENESS TRAINING ON
2/22/2018	MAZE & ASSOCIATES		29155	1,265.00	
		42356	1,265.00		FY16/17 AUDIT SERVICES
2/22/2018	MDRR-PARK (MT. DIABLO RESOURCE RECC		29156	67.12	
		42549	67.12		WASTE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
2/22/2018	MSC INDUSTRIAL SUPPLY CO. INC.		29157	785.54	
		42331	785.54		INVENTORY
2/22/2018	NV5 INC.		29158	26,947.75	
		42357	26,947.75		RWF EMERGENCY BACKUP GENERATOR
2/22/2018	NWN CORPORATION		29159	7,694.80	
		42550	7,694.80		UTILITIES
2/22/2018	ABEL PALACIO		29160	545.45	
		42552	545.45		RETIREE MED
2/22/2018	PHIL'S DIESEL CLINIC INC.		29161	4,926.20	
		42359	4,926.20		URGENT VACON REPAIR
2/22/2018	PITTSBURG WINSUPPLY		29162	3,921.04	
		42377	3,921.04		WINSUPPLY QUOTE # 7359 DATED 1
2/22/2018	SIMPLEXGRINNELL LP		29163	763.80	
		42556	763.80		LAB FIRE CURTAIN TEST/INSPECTI
2/22/2018	SYSTEM 1 STAFFING		29164	2,760.00	
		42560	2,760.00		O/S TEMP
2/22/2018	TELSTAR INSTRUMENTS INC		29165	2,114.15	
		42489	2,114.15		INVENTORY
2/22/2018	TURBO MACHINERY, INC		29166	18,512.42	
		42367	2,640.00		P12501 IMPELLERS MACHINE WORK
		42370	13,516.08		LABOR FOR HEADWORKS REPAIRS
		42562	2,356.34		EMER PO- REPAIR FOR PUMP P-120
2/22/2018	UNIVAR USA INC		29167	13,968.06	
		42296	2,274.57		SODIUM HYPOCHLORITE
		42371	4,345.62		SODIUM BISULFITE
		42490	2,427.82		SODIUM HYPOCHLORITE
		42491	4,920.05		SODIUM BISULFITE
2/22/2018	VALLEY RUBBER & GASKET		29168	749.58	
		42374	749.58		INVENTORY
2/22/2018	VINCENT ELECTRIC MOTOR		29169	4,944.49	
		42373	4,944.49		VINCENT QUOTE # 54874 DATED 1/
2/22/2018	WECK LABORATORIES, INC.		29170	265.71	
		42404	265.71		LABORATORY SERVICES FOR PRETRE
2/22/2018	ROBERT WRIGHT		29171	13.00	
		42527	13.00		MED REIMB
GRAND TOTAL				2,209,455.49	

April 11, 2018

RECEIVE SECOND QUARTER FISCAL YEAR 2017/2018 DISTRICT INVESTMENT REPORT

RECOMMENDATION

Receive Fiscal Year 2017/2018 (FY17/18) Second-Quarter District Investment Report.

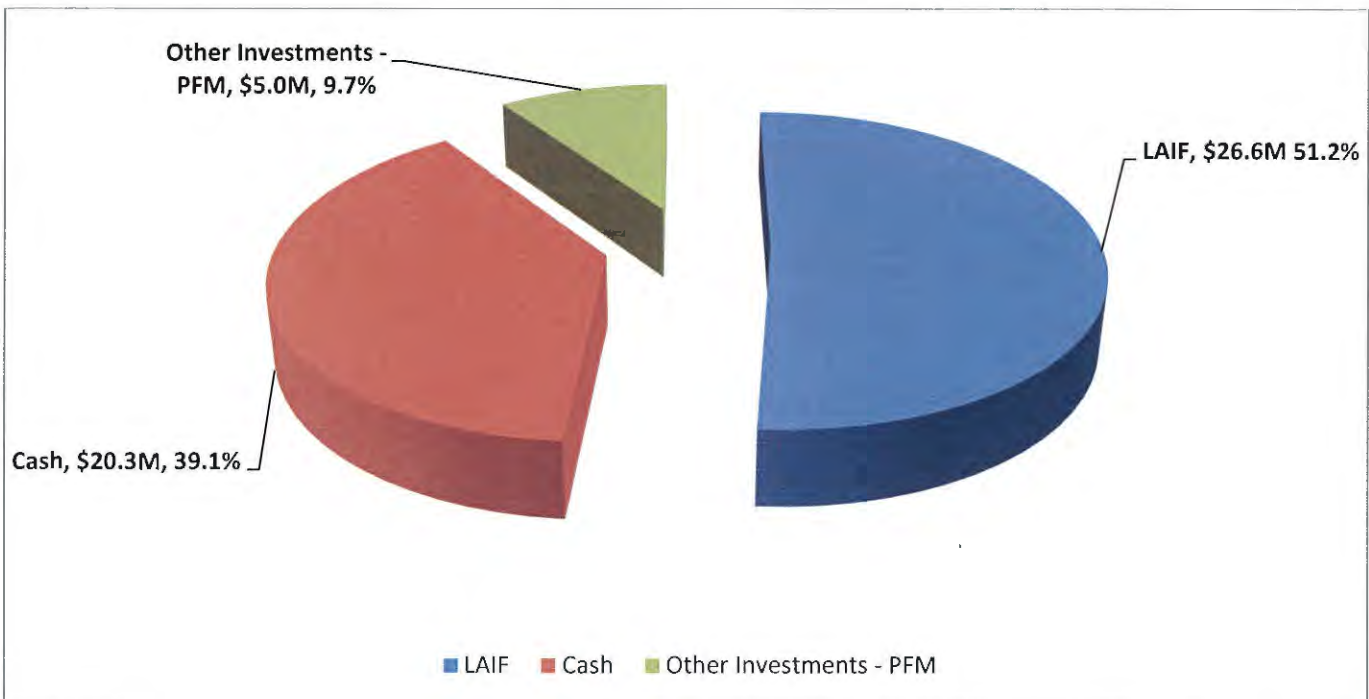
Background Information

Attached for the Board’s information is the Investment Report showing results for the second quarter of FY17/18 as of December 31, 2017. The purpose of this report is to inform the Board of the status of the District’s investment portfolio as of the end of the previous quarter in accordance with the current District Investment Policy adopted on February 14, 2018. This includes the District’s portfolio composition, portfolio performance, and other key investment and cash flow information.

The overall objectives of the investment portfolio are to maintain the safety of the invested principal, retain sufficient liquidity to meet cash flow requirements, and achieve a rate of return comparable to the District’s selected benchmarks, including the Merrill Lynch 1-3 Year U.S. Government Index for funds managed by Public Financial Management (PFM). An investment strategy is to manage the PFM portfolio short of the Merrill Lynch benchmark duration, which averages two years, to mitigate the interest rate risk in an up-market.

Analysis

The District’s total Cash and Investments as of December 31, 2017 was \$51.9 million (Quarterly Schedule of Cash and Investments attached). This is an increase of \$7.6 million from the same period last year of \$44.4 million. Cash and Investments balances fluctuate between fiscal years primarily due to the timing of when cash is received and disbursed. The investment of the \$51.9 million was conducted in accordance with the District’s Investment Policy. The portfolio is illustrated as follows:



For the second quarter ended December 31, 2017, the investment in the Local Agency Investment Fund (LAIF) had a yield of 1.07%. Other Investments managed by PFM had a yield of 1.37%, resulting in a blended yield of 1.08%. The 1.08% blended yield exceeded the target rate of return for the overall portfolio, which was benchmarked with the LAIF yield (1.07%), and it was comparable to the six-month Treasury Index.

Additionally, the 1.08% blended yield was an increase of 0.35% over the same period last year. Other changes over the same period included an increase of 13.7% in LAIF, and \$4 million out of the original PFM portfolio of \$5 million in certificate of deposit matured and reinvested in a money market account. An investment meeting is scheduled in April to discuss strategies to reinvest the money market funds.

Next Quarter

The U.S. labor market added over 2 million jobs in 2017. The historic tax cut bill was passed by Congress in December 2017. The tax overhaul is projected to provide an economic boost as the corporate tax rate was reduced from 35% to 21% and personal income taxes were reduced across the board. The Federal Open Market Committee (FOMC) increased the federal funds target rate by 25 basis points to a range of 1.25%-1.5%. The FOMC also provided projections that include three more expected rate increases in 2018. (Source: PFM Investment Performance Review for the Quarter Ended December 31, 2017).

The District has a laddered investment and diversification strategy to mitigate interest rate risk. The portfolio strategy for the next quarter will continue to be flexible, and to leverage opportunities from changes in interest rates, economic data, and/or market outlook.

Financial Impact

Investment Earnings has not been a significant contributor to the District's revenue total due to extremely low rates over the last decade. Staff will continue to monitor investment yields and implement strategies within the District's investment policy to maximize yields for continued sound fiscal stewardship.

Attachment

Quarterly Schedule of Cash and Investments as of December 31, 2017

Prepared by:

for

Eka Ekanem

Senior Accountant

Reviewed by:

Carol Margetich

Business Services Director



Delta Diablo
Quarterly Schedule of Cash and Investments as of December 31, 2017

DESCRIPTION OF SECURITY	CUSIP NUMBER	SECURITY TYPE	COUPON RATE	MATURITY DATE	INVESTED AMOUNT	% OF TOTAL INVESTMENTS	PAR VALUE	MARKET VALUE	YIELD TO MATURITY AT COST	PRICING SOURCE
<u>FUNDS SUBJECT TO INVESTMENT POLICY</u>										
<i>LAIF & Cash Accounts</i>										
County Treasurer-Capital Exp Project Funds		Public Agency Pool	N/A	N/A	73,561.84	0.14%	73,561.84	73,561.84	1.07%	LAIF
District/Integrated Finance		Public Agency Pool	N/A	N/A	26,510,249.67	51.02%	26,510,249.67	26,510,249.67	1.07%	LAIF
Cash - Wells Fargo/County Treasurer		see note (1)	N/A	N/A	20,326,868.75	39.12%	20,326,868.75	20,326,868.75	N/A	BANK/COUNTY
					<u>46,910,680.26</u>	<u>90.28%</u>	<u>46,910,680.26</u>	<u>46,910,680.26</u>		
<i>Other Investments (PFM)</i>										
Corporate and Government Obligations:										
District/Integrated Finance	CUSIP #36962GW9	GE Electric Global Corporate Note	1.625%	4/2/2018	1,007,820.00	1.94%	1,000,000.00	999,518.00	1.37%	PFM
					<u>1,007,820.00</u>		<u>1,000,000.00</u>	<u>999,518.00</u>	<u>1.37%</u>	
Cash and Cash Equivalents:										
Federated Treasury Obligations Fund		Money Market Fund	(2)		4,040,587.47	7.78%	4,040,587.47	4,040,587.47		BANK
					<u>5,048,407.47</u>	<u>9.72%</u>	<u>5,040,587.47</u>	<u>5,040,105.47</u>		
					<u>TOTAL</u>	<u>100.00%</u>	<u>51,951,267.73</u>	<u>51,950,785.73</u>		

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 balance is used to offset banking fees and charges for Wells Fargo account.
(2) Annual Yield/Yield to Maturity of 100% US Treasury Money Mkt varies with the composition of the Fund

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

April 11, 2018

ADOPT RESOLUTION COMMENDING AND CONGRATULATING MIKE BAKALDIN, DEPUTY GENERAL MANAGER, ON HIS RETIREMENT FROM THE DISTRICTRECOMMENDATION

Adopt Resolution commending and congratulating Mike Bakaldin on his retirement from the District.

Background

Mr. Bakaldin began his employment with the District on January 7, 2013 as Deputy General Manager and served as Interim General Manager from January 1 to May 30, 2017.

Analysis

Mr. Bakaldin recently announced his plan to retire after a period of five years of service at the District. His last work day will be April 13, 2018.

Shortly after joining the District, Mr. Bakaldin undertook an agency-wide organizational review and assessment, working with each department and division, to identify and prioritize opportunities for improving our business practices. This work resulted in the successful implementation of a number of recommendations that improved our internal and external customer service and set the stage for the development of a new Strategic Business Plan, which was adopted by the Board in September 2014. Each year following the adoption, Mr. Bakaldin led the development and successful completion of strategic business initiatives to ensure continuous improvement in a variety of focus areas identified in the Strategic Plan.

Mr. Bakaldin strongly advocated for the growth and development of our staff, and successfully led several efforts in support of this commitment, including establishment of the District's Supervisory and Leadership Training Program in 2015. This program is tailored to provide all interested staff with the opportunity to learn and practice the critical skills needed to advance their careers as our future leaders, through basic and advanced training classes offered on a periodic basis.

Recently, Mr. Bakaldin developed a comprehensive Succession Plan to address the challenges associated with staff transitions and retirements. Through implementation of this plan, we are deploying a number of strategies to ensure the capture of institutional knowledge and the ability to continue to perform our work at the highest level, as we experience the retirement of many long-term staff.

Throughout his years at the District, Mr. Bakaldin has exhibited loyalty, dedication, and excellent leadership as a public servant. In addition to his many successful projects, Mr. Bakaldin recently completed negotiation and acquisition of the adjacent Dow Property. As the District's representative, Mr. Bakaldin worked tirelessly on this effort to ensure the District has sufficient land to meet our obligations to our customers and the region well into the future.

Mr. Bakaldin has provided guidance and mentorship to the next generation of managers and leaders at the District, and he has consistently performed above and beyond the call of duty throughout his distinguished career at the District. Mr. Bakaldin will be greatly missed by his co-workers.

Attachment

Proposed Resolution

Signature: _____


Vince De Lange, General Manager

cc: Mike Bakaldin, Deputy General Manager
District File No. HR.01-PEF-535



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

**RE: Commending and Congratulating)
MIKE BAKALDIN on his)
Retirement from the District)**

RESOLUTION NO. X/2018

THE BOARD OF DIRECTORS OF DELTA DIABLO HAS DETERMINED THAT:

WHEREAS, Mike Bakaldin has served the District since his hiring on January 7, 2013 until his retirement on April 13, 2018, a period of five years, holding the position of Deputy General Manager and serving as Interim General Manager from January 1, 2017 through May 30, 2017; and

WHEREAS, Mr. Bakaldin undertook an agency-wide organizational review and assessment to improve our business practices, resulting in development of the District’s current Mission Statement and Goals, and the Strategic Business Plan adopted by the Board in September 2014; and

WHEREAS, Mr. Bakaldin played a major role in the re-branding of the District to accurately describe and communicate our core values and commitment to the commitment to the communities we serve; and

WHEREAS, Mr. Bakaldin led the development and implementation of annual strategic business initiatives to ensure continuous improvement and attainment of goals and objectives in key focus areas, and

WHEREAS, Mr. Bakaldin led the effort to establish the Supervisory and Leadership Training Program to provide all staff the opportunity to learn and practice the necessary skills for advancement as our next generation of leaders, and

WHEREAS, Mr. Bakaldin recently developed a comprehensive Succession Plan to address the challenges associated with staff transitions and retirements and ensure the capture of institutional knowledge and the continuous ability to perform our work at the highest level, and

WHEREAS, Mr. Bakaldin recently completed negotiation and acquisition of the adjacent Dow Property, working tirelessly on this effort to ensure the District has sufficient land to meet our obligations to our customers and the region well into the future, and

WHEREAS, Mr. Bakaldin engaged regularly with staff throughout the District, is widely known for his intellect, creativity, sense of humor, and commitment to effective leadership, provided thoughtful guidance and mentorship to the next generation of managers and leaders at the District, and has consistently performed above and beyond the call of duty throughout his distinguished career at the District.

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

Mike Bakaldin is hereby commended and thanked for his years of outstanding service and dedication to the District. The Board and District staff wishes him well in his future endeavors.

PASSED AND ADOPTED on April 11, 2018, by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo on April. 11, 2018.

ATTEST: D. Pete Longmire
Board Secretary

By: _____

RESOLUTION NO. X/2018

April 11, 2018

ACCEPT AS COMPLETE AND AUTHORIZE GENERAL MANAGER TO FILE NOTICE OF COMPLETION, STEVE P. RADOS, INC., PITTSBURG FORCE MAIN IMPROVEMENTS, PROJECT NO. 14116

RECOMMENDATION

Accept the Pittsburg Force Main Improvements Project as complete and authorize the General Manager to file a Notice of Completion (NOC) with the Contra Costa County Recorder's Office.

Background Information

In December 2015, the Board of Directors approved award of the agreement for construction of the Pittsburg Force Main Improvements Project to Steve P. Rados, Inc. (SPR) in the amount of \$7,541,857. The project included construction of a 2.5 mile, 24-inch diameter pipeline to improve wastewater conveyance reliability. Construction for the project commenced in April 2016 with field work completed in March 2018.

Analysis

The project work has been inspected and found to meet contract requirements. Presently, staff is negotiating the cost of several outstanding change orders and does not anticipate the Board authorized change order limit of \$1,508,315 to be exceeded. While the change orders have not been finalized, District legal counsel is recommending acceptance of the project and filing of the NOC to begin the lien and stop payment notice period. Staff concurs with counsel and recommends project acceptance by the Board to minimize claims exposure. In addition, it is recommended that the Board authorize the General Manager to file the NOC for the project with the Contra Costa County Recorder's Office.

In accordance with the California Civil Code Section 9204(a): A public entity may record an NOC on or within 15 days after the date of completion of a work of improvement. Filing the NOC will provide legal notice to any and all impacted parties that the project is complete and that the District intends to close the contract and make final payment to the contractor.

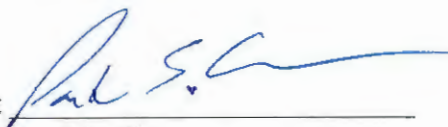
Financial Impact

The adopted Fiscal Year 2016/2017 – 2020/2021 Capital Improvement Program included an appropriated project budget of \$13,600,000 from the Wastewater Capital Asset Replacement and Expansion Funds for the Pittsburg Force Main Improvements Project. The District is financing \$12,000,000 using a Clean Water State Revolving Fund Loan at an interest rate of 1.9%. Repayment will occur over a 30-year term with an estimated annual debt service of \$374,000. There are no changes to the overall total project budget of \$13,600,000. Any unused funds will be returned to the Wastewater Capital Asset and Expansion Fund Reserves.

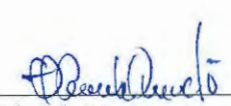
Attachments

Draft Notice of Completion

Prepared by:


Patricia Chapman
Associate Engineer

Reviewed by:


Thanh Vo
Acting Engineering Services Director

cc: Project File No. P.14116.11.04



When Recorded, Return to: [
Delta Diablo
2500 Pittsburg-Antioch Highway
Antioch, CA 94509-1373

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT: _____

- 1. The undersigned is an owner of an interest or estate in the hereinafter-described real property, the nature of which interest or estate is easements or statutory franchise.
2. The full name and address of the undersigned owner and of any and all co-owners is: Delta Diablo, 2500 Pittsburg-Antioch Highway, Antioch, CA 94509.
3. On the 30th day of March 2018 there was completed upon the hereinafter-described real property a work of improvement as a whole known as PITTSBURG FORCE MAIN IMPROVEMENTS, PROJECT 14116
4. The name of the original contractor for the work of improvement as a whole was Steve P. Rados, Inc, 2002 E. McFadden Avenue, Ste 200, Santa Ana, CA 92705
5. The real property herein referred to is situated in the City of Pittsburg, County of Contra Costa, California, and described as follows: Approximately 2.5 miles of sewer pipeline and appurtenances throughout the City including work at the following locations: Pump Station APN 085-130-043; south across a portion of APN 096-100-032, 033, and 034 to 550 W. Tenth Street; south to Preservation Street; from 704 to 751 Preservation Street, 1571 to 1591 Enterprise Circle, south to 695-677 Charleston Street, 1282 Beacon Street; 1286 Beacon Street; across BNSF railway lands (north of N. Parkside Drive); from 1 Leslie Drive and eastward on Leslie Drive and Railroad Lane to 1295 Railroad Lane; Union Pacific Railroad property from 1295 Railroad Lane to Harbor Street; 1396 Solari Street; 531 E 14th Street eastward to the Pittsburg-Antioch Highway and ending approximately 450 feet east of the Pittsburg-Antioch Highway/Loveridge Road intersection.

DELTA DIABLO
(Owner)

By: _____
Vince De Lange
General Manager

VERIFICATION

I, Vince De Lange, declare:

I hold the title of General Manager of Delta Diablo and am authorized to make this declaration on its behalf.

I have read the foregoing Notice of Completion and know the contents thereof. The Notice of Completion is true of my own knowledge, except as to those matters that are therein stated on information and belief, and as to those matters, I believe them to be true.

This declaration was signed on April 12, 2018, at Antioch, California. I declare under penalty of perjury that the foregoing is true and correct.

Vince De Lange
General Manager

April 11, 2018

AUTHORIZE GENERAL MANAGER TO EXECUTE CONSULTING SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$300,000, ENGINEERING SERVICES, TREATMENT PLANT ROADWAY MAINTENANCE, PROJECT NO. 18115

RECOMMENDATION

Authorize General Manager to execute Consulting Services Contract in amount not to exceed \$300,000 for engineering services for the Treatment Plant Roadway Maintenance Project.

Background Information

The adopted Fiscal Year 2017/2018 – 2021/2022 (FY17/18 – FY21/22) Capital Improvement Program (CIP) includes a project to rehabilitate and extend the useful life of asphalt pavement sections at the District's Wastewater Treatment Plant and Recycled Water Facility. The project will assess existing pavement conditions, evaluate traffic patterns, including loading, and develop transportation-based design improvements to preserve District roadway assets, ensure ongoing workplace safety, and increase operational efficiency. The evaluation and design will document the state of the District's transportation facilities, identify and prioritize future roadway improvements, and develop bid documents for the recommended work for construction.

Analysis

In March 2018, the District issued a Request for Proposals to firms with experience in transportation design and pavement analysis services. Proposals were received by the District on April 3, 2018, and are currently under review by a combination of Operations, Maintenance, and Engineering staff. The final steps in the process will involve determination of the most highly-qualified consultant, negotiation of fees, and recommendation for award of the project. Review of proposals and recommendation for award are expected to be completed on or before April 12, 2018.

Due to the high priority placed on this project, an advance project authorization approach is recommended to authorize the General Manager to execute a Consulting Services Contract in an amount not to exceed \$300,000. The advance authorization provides staff the ability to issue the Notice to Proceed after the proposals are evaluated, and will permit the most highly-qualified firm to begin the work as soon as practical. The Board will be informed about the actual contract award and proposal amount at the May 2018 Board Meeting.

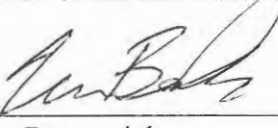
Financial Impact

The adopted FY17/18 – FY21/22 CIP includes an appropriation of \$300,000 through FY17/18 for the Treatment Plant Roadway Maintenance Project. The total authority requested is in an amount not to exceed \$300,000. Sufficient funding is available within the project budget to cover this work.

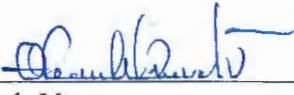
Attachments

Proposed Scope of Work and Cost Estimate Summary

Prepared by:


Ian Bronswick
Assistant Engineer

Reviewed by:


Thanh Vo
Acting Engineering Services Director

cc: District File No. P.18115.01.03



PROPOSED SCOPE OF WORK AND COST ESTIMATE SUMMARY

Project: Treatment Plant Roadway Maintenance, Project No. 18115

Consultant: TBD

Scope of Work Items:

Estimated Cost:

TASK 1 – PRE-DESIGN	
1.1 Project Management	\$ 18,000.00
1.2 Evaluation and Reporting	\$ 60,000.00
TASK 2 – DESIGN	
2.1 Project Management	\$ 45,000.00
2.2 Design (50%, 90%, and Final)	\$ 145,000.00
TASK 3 – BID PHASE SERVICES	\$ 7,000.00
TASK 4 – OPTIONAL SERVICES (As Directed by Staff)	\$ 25,000.00
TOTAL CONTRACT COST	\$ 300,000.00

April 11, 2018

AUTHORIZE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 1 TO CONSULTING SERVICES CONTRACT IN THE AMOUNT OF \$85,070, ENGINEERING SERVICES, NV5, INC., RECYCLED WATER FACILITY EMERGENCY BACKUP GENERATOR, PROJECT NO. 15126

RECOMMENDATION

Authorize the General Manager to execute Amendment No. 1 to the Consulting Services Contract with NV5, Inc. (NV5) for additional engineering services in an amount not to exceed \$85,070, for a new total contract amount not to exceed \$244,427.

Background Information

In April 2017, the District’s Board of Directors awarded an engineering services contract to NV5 for the design of the Recycled Water Facility (RWF) Emergency Backup Generator Project. This project includes installation of a new standby diesel generator to ensure ongoing RWF operation during power outages and improve operational flexibility to meet peak recycled water demands within the District’s service area.

Design and bidding for the project have been completed and the Board awarded a Construction Services Contract to Clyde G. Steagall, Inc. in February 2018.

Analysis

As the project transitions to the construction phase, engineering services during construction are necessary for submittal reviews and responses to information requests on the design documents. NV5 is the Engineer-of-Record for the project during the design phase. Staff recommends that the Board authorize the General Manager to execute an amendment to the existing Consulting Services Contract in the amount not to exceed \$85,070 to retain their services during the construction phase. A summary of the scope of work and anticipated costs associated with these services is attached.


Financial Impact

The adopted Fiscal Year 2016/2017 – 2020/2021 (FY16/17 – FY20/21) Capital Improvement Program Recycled Water Capital Asset Fund includes an appropriation of \$1.4 million through FY16/17, with an overall project budget of \$1.4 million for the RWF Emergency Backup Generator Project. The District has secured a United States Bureau of Reclamation WaterSMART Water and Energy Efficiency Grant in the amount of \$296,959 and a State of California, Department of Water Resources, Proposition 84 Grant in the amount of \$309,341 to reimburse design and construction expenditures. No additional funding is requested at this time.

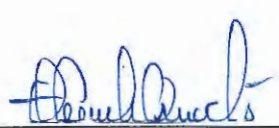
Attachment

Scope of Work Summary

Prepared by:


Sean Williams
Associate Engineer

Reviewed by:


Thanh Vo
Acting Engineering Services
Director

cc: District File No. P.17140.01.04



SCOPE AND COST ESTIMATE SUMMARY – AMENDMENT NO. 1

Project: RWF Emergency Backup Generator, Project No. 15126

Consultant: NV5, Inc.

Scope of Work Items	Estimated Cost
TASK 1 – PROJECT MANAGEMENT	
1.1 Coordination with District Staff & Subconsultants	\$5,350
TASK 2 – ENGINEERING SERVICES DURING CONSTRUCTION	
2.1 Review Contractor Submittals	\$12,655
2.2 Respond to Contractor Generated RFI's	\$9,615
2.3 Assistance with Change Orders	\$3,500
2.4 Site Visits and Meetings	\$10,410
2.5 Record Drawings	\$9,580
2.6 O&M Manual Update	\$14,560
TASK 3 – ADDITIONAL BID SUPPORT SERVICES	
3.1 Additional Addendums, OSHA Fall Protection Design, Additional Bid Coordination	\$9,400
TASK 4 – OPTIONAL SERVICES	
4.1 Additional engineering services as directed by staff.	\$10,000
TOTAL AMENDMENT NO. 1	\$85,070

April 11, 2018

AUTHORIZE GENERAL MANAGER TO EXECUTE CONSTRUCTION SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$207,920, SYNAGRO-WWT, INC.; AND AUTHORIZE GENERAL MANAGER OR HIS DESIGNEE TO APPROVE CONTRACT CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 10% OF CONTRACT AMOUNT, DIGESTER NO. 2 CLEANING, PROJECT NO. 18111

RECOMMENDATION

1. Authorize the General Manager to execute a Construction Services Contract in an amount not to exceed \$207,920 with Synagro-WWT, Inc. (Synagro) to provide digester cleaning services for the Digester No. 2 Cleaning Project.
2. Authorize the General Manger or his Designee to approve construction change orders not to exceed 10% of the contract amount, for a total contract authorization of \$228,712.

Background Information

The Digester Nos. 1-3 Evaluation and Repair Project is included in the adopted Fiscal Year 2017/2018 – 2021/2022 (FY17/18 – FY21/22) Capital Improvement Program (CIP). The project was initiated to address digester capacity and ongoing operational reliability concerns. The initial scope of work comprised removing debris and performing condition assessment, including corrective work, for Digester Nos. 1-3. However, given the District's interest in moving forward with the East County Bioenergy Project (ECBP), the original project scope was reduced from cleaning and evaluating three digesters to one digester to account for some of the digester work included in the ECBP. Staff determined that Digester No. 2 required immediate evaluation because it has been in service for the past ten years without inspection. Digester Nos. 1 and 3, with the least amount of service time, can be deferred until the start of construction for the ECBP, which is anticipated to commence in late 2019. Subsequently, the project was renamed to Digester No. 2 Cleaning Project.

Analysis

In March 2018, the District issued a competitive Request for Proposals (RFP) to firms with experience in the cleaning of anaerobic digesters. Proposals were received from four firms. A summary of the bids is attached. The proposals were reviewed and evaluated by staff to verify qualifications and experience and that the proposal was prepared in conformance with the requirements outlined in the RFP documents. The lowest cost proposal was submitted by Synagro in the amount of \$207,920. Synagro was found to meet the qualification and experience requirements.

Staff recommends that the Board authorize the General Manager to execute a Construction Services Contract with Synagro in an amount not to exceed \$207,920 for digester cleaning services. In addition, staff requests that the Board authorize the General Manager or his Designee to execute change orders up to 10% of the original contract amount to account for potential changes, for total contract authorization of \$228,712.

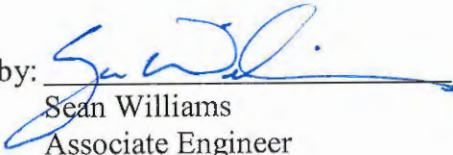
Financial Impact


The adopted FY17/18 – FY21/22 CIP includes an appropriation of \$400,000 through FY17/18, with an overall project budget estimated to be \$1.2 million for the Digester Nos. 1-3 Evaluation and Repair Project. As a result of project scope reduction, the budget appropriation of \$400,000 in



FY17/18 is sufficient to complete the revised work. No additional budget appropriation is needed at this time.

Attachment
Proposal Summary

Prepared by: 
Sean Williams
Associate Engineer

Reviewed by: 
Thanh Vo
Acting Engineering Services
Director

cc: Project File No. 18111.01.04



DELTA DIABLO
DIGESTER NO.2 CLEANING
PROJECT NO. 18111

Proposal Deadline: Monday, March 26, 2018

PROPOSAL SUMMARY

FIRM NAME	AMOUNT
Synagro-WWT, Inc.*	\$207,920.00
American Process Group, Inc.	\$360,129.00
MP Environmental Services, Inc.	\$426,459.88
Pipe and Plant Solutions, Inc.	\$697,000.00

* Lowest responsible and responsive proposal

April 11, 2018

RECEIVE REPORT ON MARCH 19, 2018 SANITARY SEWER OVERFLOW, BAY POINT

RECOMMENDATION

Receive report on March 19, 2018 Bay Point Sanitary Sewer Overflow (SSO).

Background Information

On March 19, 2018, at approximately 7:00 p.m., the District received a call regarding an SSO at 350 Hanlon Way in Bay Point. The Lead Operator on duty dispatched an operator at 7:05 p.m. to investigate the residential site and determine the condition of the District's wastewater collection system. The initial investigation indicated that the District's collection system was flowing properly and that the SSO was located on the private lateral service line, which is the responsibility of the property owner. Staff conducted a second inspection of this site the following morning, on March 20, 2018, and observed a surcharge in the collection system resulting in an overflow through the lateral service line. The resulting SSO in the front and side yards of the residence was determined to be the District's responsibility and an overflow response effort was immediately initiated. The system surcharge was quickly relieved and the affected area thoroughly cleaned and disinfected by clearing a partial blockage and vacuuming the ponded wastewater.

Analysis

Approximately 811 gallons of sewage overflowed through the lateral service clean-out. An estimated 150 gallons entered an adjacent dry drainage channel, of which 50 gallons was recovered and returned to the system. This spill did not reach a storm drain pipe and did not enter surface water. The follow-up site inspection and prompt response by District staff to relieve the system surcharge minimized the amount of sewage overflow. To minimize the risk of a future SSO at this location, the preventative maintenance frequency for inspecting and cleaning this sewer line segment was adjusted from quarterly to monthly. Additionally, staff is evaluating possible modifications to the sewer lateral to prevent the risk of an overflow resulting from a system surcharge.

The SSO was reported to the State Water Quality Control Board via the California Integrated Water Quality System, as required by water quality regulations.

Financial Impact

The costs associated with the response to the SSO are currently being determined.

Attachments

None

Prepared by: Terry Spurgeon
Terry Spurgeon
Maintenance Manager

Reviewed by: Dean Eckerson
Dean Eckerson
Resource Recovery Services Director

cc: District File No. NPDES.06-CORRES



April 11, 2018

APPROVE ADDITIONAL APPROPRIATION OF \$40,000 FROM RECYCLED WATER CAPITAL ASSET REPLACEMENT FUND, UNANTICIPATED RECYCLED WATER FACILITY REPLACEMENT, PROJECT NO. 18104

RECOMMENDATION

Approve additional appropriation of \$40,000 from the Recycled Water Capital Asset Replacement Fund to the Unanticipated Recycled Water Facility (RWF) Replacement Project, for a new total project budget of \$140,000.

Background Information

The adopted Fiscal Year 2017/2018 – 2021/2022 (FY17/18 – FY21/22) Capital Improvement Program includes an appropriation of \$100,000 for the Unanticipated RWF Replacement Project in the Recycled Water Capital Asset Replacement Fund. This programmatic project allows for the assessment, rehabilitation, and/or replacement of RWF assets that unexpectedly malfunction or prematurely fail during a given fiscal year. A new budget is established each fiscal year to ensure funds are available for the unanticipated work when needed.

Analysis

In September 2017, staff observed deterioration of the RWF filter support beams and contracted with one of the District's on-call consultants, Carollo Engineers, Inc., to assist with further evaluation. The additional assessment indicated advanced corrosion damage of the support beams and embedded wall plate connections requiring immediate repair. Staff informed and received concurrence from Calpine Corporation to proceed with the repair.

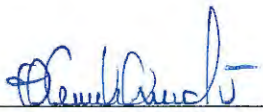
Staff initially estimated the cost to rehabilitate the support beams and associated components to be less than \$100,000. However, once repair work was initiated, the concrete near the support beam connection area was also identified as corroding and in need of repair to maintain process reliability. Additional budget is needed to continue with replacing and rehabilitating the identified asset. A summary of the estimated repair cost is attached. Staff recommends that the Board approve the additional appropriation so that the work can move forward and be completed by the end of the current fiscal year.


Financial Impact

The Unanticipated RWF Replacement Project budget adjustment of \$40,000 will be funded from available resources in the Recycled Water Capital Asset Replacement Fund.

Attachment

Estimated Repair Cost Summary

Prepared by: 
Thanh Vo
Acting Engineering Services Director

Reviewed by: 
Vince De Lange
General Manager

cc: Finance Department
Project File No. CORP.03.11-CORRES



ESTIMATED REPAIR COST SUMMARY**PROJECT:** Unanticipated Recycled Water Facility, Project No. 18104**ASSETS:****ESTIMATED COST:**

Recycled Water Facility Filters	
1. Supplemental Labor (Turbo)	\$105,000.00
2. Link Seals	\$15,000.00
3. Air Line Tubing	\$15,000.00
4. Spacers and Isolators	\$5,000.00
Total	\$140,000.00

April 11, 2018

ADOPT RESOLUTION REPEALING RESOLUTION NO. 9/97, APPROVAL OF THREE FISCAL YEAR BUDGET PROPOSALRECOMMENDATION

Adopt Resolution Repealing Resolution No. 9/97, Approval of Three Fiscal Year Budget Proposal.

Background Information

Resolution No. 9/97 (attached) was adopted on June 25, 1997. The resolution provided authority for initiating three-fiscal-year budget cycles consistent and coordinated with a three-year sewer service charge rate structure beginning July 1, 1996. At the time, the staff recommendation for longer budget cycles was based on the savings generated by preparing and presenting exceptions to the proposed fiscal budgets in the second and third year of the cycle as opposed to preparing an annual budget each year. The three-year budget cycle was also consistent with the past practice of setting a three-year sewer service charge rate structure at the time.

Analysis

As part of its Strategic Business Plan, the District undertook a Fiscal Year 2017/2018 (FY17/18) business initiative to "Evaluate alternatives and provide a recommendation for improvements to the rate-setting and capital improvement program development process." As part of this effort, it is the District's intent to complete a single-year budget for FY18/19 and possibly FY19/20 with the goal of transitioning to a budget cycle that aligns better with the aforementioned rate-setting and capital improvement program improvement initiative in the future. The District also currently sets rates on an annual basis consistent with the past practice over the last decade. This practice will also be reviewed as part of the business initiative. Staff is in the process of analyzing District fiscal policies and plans to submit proposed revisions for Board consideration once complete. Language pertaining to budget cycles, rates, and the capital improvement program will be reviewed and incorporated within these fiscal policies, if appropriate.


Financial Impact

None

Attachments

- 1) Resolution No. 9/97, Approval of Three-Fiscal-Year Budget Proposal
- 2) Proposed Resolution Repealing Resolution No. 9/97

Signature: _____


Carol S. Margetich, Business Services Director

District File No. BRD.01-RESL-14537



BEFORE THE BOARD OF DIRECTORS
OF
DELTA DIABLO SANITATION DISTRICT

Re: Approval of Three)
Fiscal Year Budget)
Proposal)
_____)

RESOLUTION NO. 9/97

THE BOARD OF DIRECTORS OF DELTA DIABLO SANITATION DISTRICT HAS DETERMINED THAT:

WHEREAS, it is desirable to adopt three fiscal year District budgets for the fiscal years beginning July 1, 1997:

WHEREAS, significant staff time will be saved by preparing and presenting exceptions to the proposed three fiscal year budgets;

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

1. The Board of Directors embrace a three year District Budget process consistent and coordinated with a three year sewer service charge rate structure.
2. Net profit for the General Fund for each fiscal year will be applied to the funding of a rate stabilization reserve to assist in off-setting negative impacts from sudden and dramatic unanticipated additional costs.

PASSED AND ADOPTED ON June 25, 1997, by the following vote:

AYES:	CANCIAMILLA, GLOVER and ROCHA	NOES:	NONE
ABSENT:	NONE	ABSTAIN:	NONE

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo Sanitation District on June 25, 1997.

ATTEST: Paul H. Causey,
General Manager/District
Engineer and Secretary to the
Board of Directors

By: 

cc: District Counsel
District File

RESOLUTION NO. 9/97

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

**RE: Repealing Resolution No. 9/97,)
Approval of Three Fiscal Year)
Budget Proposal)**

RESOLUTION NO. X/2018

The BOARD OF DIRECTORS OF DELTA DIABLO (hereinafter called the “Board”) HAS DETERMINED THAT:

WHEREAS, in September 1997, the Board adopted Resolution No. 9/97, Approval of Three Fiscal Year Budget Proposal, establishing a three-year budget cycle consistent and coordinated with a three-year sewer service charge; and

WHEREAS, as part of its Strategic Business Plan, the District undertook a Fiscal Year 2017/2018 (FY17/18) business initiative to “Evaluate alternatives and provide a recommendation for improvements to the rate-setting and capital improvement program development process”; and

WHEREAS, as part of this effort, staff wishes to review current rate-setting practices and complete a single-year budget for FY18/19 and possibly FY19/20 with the goal of transitioning to a budget cycle that aligns better with the aforementioned rate-setting and capital improvement program improvement initiative in the future; and

WHEREAS, language pertaining to rate-setting and budget cycles will be reviewed and incorporated within the District’s fiscal policies, if appropriate.

NOW, therefore, be it resolved that THE BOARD OF DIRECTORS OF DELTA DIABLO DOES HEREBY RESOLVE AND ORDER to repeal Resolution No. 9/97.

PASSED AND ADOPTED on April 11, 2018 by the following vote:

AYES:
NOES:

ABSENT:
ABSTAIN:

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo on April 11, 2018.

ATTEST:

Board Secretary
D. Pete Longmire

By: _____

RESOLUTION NO. X/2018

April 11, 2018

APPROVE MINUTES OF REGULAR BOARD OF DIRECTORS MEETING, MARCH 14, 2018RECOMMENDATION

Approve Minutes of the Regular Board of Directors Meeting of March 14, 2018.

DRAFT**Minutes of the Regular Board of Directors Meeting
DELTA DIABLO
March 14, 2018**

The meeting was called to order by Chair Glover on Wednesday, March 14, 2018, at 4:51 p.m., in the Board Room, located at 2500 Pittsburg-Antioch Highway, Antioch. Director Sean Wright and Chair Federal Glover were present. Director D. Pete Longmire was absent. Also present were Mary Ann Mason, District Counsel; Vince De Lange, General Manager; Denise Cappucini Jones, Office Manager/Secretary to the Board; Carol Margetich, Business Services Director; Dean Eckerson, Resource Recovery Services Director; Darrell Cain, Laboratory Manager; Jayne Strommer, Government Affairs Manager; Thanh Vo, Acting Engineering Services Director; Joaquin Gonzalez, Operations Manager/Management Association Representative; Steve Rodriguez, Operations Supervisor; Matt Gotshall, Computer Analyst/P&T Bargaining Unit Representative; Nick Steiner, Recycled Water Program Coordinator/P&T Bargaining Unit Representative; Angela Lowrey, Public Information Manager; Holland White, Contra Costa County Office of Supervisor Federal Glover; and Joseph D'Onofrio, Bartel Associates, LLC.

PUBLIC COMMENTS

None

CONSENT CALENDAR

Director Wright moved approval, seconded by Chair Glover and by unanimous voice vote (*Ayes: Wright and Glover; Noes: None; Absent: Longmire*), the Board approved the following Consent Calendar according to staff recommendations: Approve Minutes of Regular Board of Directors Meeting, February 14, 2018; Approve Minutes of Special Board of Directors Meeting, February 27, 2018; Receive Notes from Finance Committee Meeting, March 6, 2018; Approve District Monthly Check Register, January 2018; Receive First-Half of Fiscal Year 2017/2018 Operating Budget Expenditure Report; Authorize General Manager to Execute Consulting Services Contract in an Amount Not to Exceed \$165,000 V. W. Housen & Associates, Engineering Services, Permanent Brine Transfer Facility, Project No. 18109; Authorize General Manager to Execute Construction Services Contract in an Amount Not to Exceed \$2,717,000, W. M. Lyles Co.; Authorize General Manager or His Designee to Approve Contract Change Orders in an Amount Not to Exceed 10% Of Contract Amount; and Authorize General Manager to Execute Amendment No. 2 to Consulting Services Contract in an Amount Not to Exceed \$175,164, Carollo Engineers Inc., Primary Clarifier Area Improvements, Project No. 17140; and Authorize General Manager to Re-Open Project, Appropriate \$45,618 to Project from Wastewater Capital Asset Reserves, and Close Out Project Upon Payment, SunPower Corporation, Photovoltaic Energy Generation, Project No. 10119.



DELIBERATION**Accept General Manager Acknowledgement of Government Code Section 7507 Actuarial Report, Retiree Health Benefits, Bartel Associates, LLC**

As presented at the January 10, 2018 Board Meeting, the General Manager's Acknowledgment of financial impacts is required by Government Code (GC) Section 7507 prior to considering proposed clarifications to retiree health benefits for post-2008 hires. Ms. Margetich outlined the GC Section 7507 requirements and noted that Mr. De Lange has signed the Acknowledgement and the next steps are to consider a separate Board item outlining the proposed clarifications to retiree health care language in the three Bargaining Unit Memoranda of Understanding (MOUs), approve MOU Side Letters with the Bargaining Units, and authorize a budget adjustment for the new Actuarially Determined Contribution.

Director Wright moved approval, seconded by Chair Glover, and by voice vote (Ayes: *Wright* and *Glover* Noes: *None*; Absent: *Longmire*) the Board accepted the General Manager's Acknowledgement of the GC Section 7507 Actuarial Report on retiree health benefits.

Adopt Proposed Clarifications in Retiree Health Care Language in Memoranda of Understanding Affecting Employees Represented By the District's Three Bargaining Units (Management Association Bargaining Unit, Operations and Maintenance Bargaining Unit, and Professional and Technical Bargaining Unit) and Similar Clarifications for Unrepresented Employees; Approve Side Letters to Memoranda of Understanding for Management Association Bargaining Unit, Operations and Maintenance Bargaining Unit, and Professional and Technical Bargaining Unit that will Include Clarifications for the Duration of the Memoranda of Understanding; and Authorize Budget Adjustment in the Amount of \$41,000 for the Increased Annual Actuarially Determined Contribution

Ms. Margetich outlined the proposed clarifications to retiree health benefits for post-2008 hires and the GC Section 7507 requirements. As required, the District's Actuary, Mr. Joseph D'Onofrio, was present.

Ms. Margetich outlined the proposed clarifications and showed a summary table of the proposed changes and the District's liability, as determined by the Actuary. Another table showed the impact of the proposed benefit change and the total cost difference of \$41,000 for FY17/18.

Director Wright moved approval, seconded by Chair Glover, and by voice vote (Ayes: *Wright* and *Glover* Noes: *None*; Absent: *Longmire*) the Board adopted the proposed clarifications, approved the Side Letter Agreements with the Bargaining Units, and authorized the budget adjustment for the increased annual Actuarially Determined Contribution.

Review Proposed Sewer Service Charge Increases, Set Public Hearing for May 9, 2018, and Authorize Distribution of Proposition 218 Notices

Ms. Margetich outlined the District's rate-setting philosophy and the key assumptions used in the Sewer Service Charge (SSC) analysis. She outlined the proposed rate increases for each community, which are 6.0% for Antioch and Pittsburg customers; and 5.0% for customers in Bay Point, which includes a component for wastewater collection services. She showed breakdowns of the fee components, and a pie chart outlining District expenses. Ms. Margetich provided rate projections through Fiscal Year 2022/2023 (FY22/23), and a comparison with other agencies in the region showing that the District's rates remain comparable with the proposed increase. Tables were shown of Wastewater O&M Fund projections both with and without infusion of the proposed rate increase. Without implementation of the proposed rate increase, insufficient fund balances would occur by FY20/21. The same comparison was shown for the Capital Asset and Capital Asset Replacement Funds.



Ms. Margetich discussed status of the Advanced Treatment (AT) Fund and presented an updated timeline for the project. She outlined projected FY18/19 Inter-Fund Transfers and Loans, noting that loans are repaid at the Local Agency Investment Fund (LAIF) interest rate.

Next steps, if approved, include distribution of the Proposition 218 Notices and a public hearing to be held at the May 9, 2018 Board meeting.

Director Wright inquired regarding the total funding goal for the AT Fund, and Ms. Margetich responded that the original total anticipated goal was \$44 million by the project completion date. The District is on track to have \$90 million in the fund by the revised target completion date, which will allow the District to cash fund a portion of the construction cost and reduce requirements for issuing debt. The project cost remains at \$125 million based on prior estimates.

Director Wright moved approval, seconded by Chair Glover, and by voice vote (Ayes: *Wright* and *Glover* Noes: *None*; Absent: *Longmire*) the Board set the public hearing for May 9, 2018 and authorized distribution of the Proposition 218 Notices.

Adopt Administrative Handbook Policy No. 1060 – Sustainability

Mr. Eckerson identified the reasons for the new Sustainability Policy, including increased public awareness and the demand for green solutions. He referenced the District's Mission Statement and Strategic Goals. The Policy provides a formal statement of intent and commitment to incorporate sustainability into the District's business practices and decision-making process. Mr. Eckerson outlined the key goals and explained the "Triple Bottom Line" approach, which covers economic, environmental, and social impacts. Director Wright asked how staff will balance the economic and social impacts with financial impacts, and Mr. Eckerson responded that financial considerations would remain a key component of the decision-making process, but that other considerations would be incorporated and shared with the Board when making project recommendations.

Director Wright moved approval, seconded by Chair Glover, and by voice vote (Ayes: *Wright* and *Glover* Noes: *None*; Absent: *Longmire*) the Board adopted Administrative Handbook Policy No. 1060 – *Sustainability*.

PRESENTATIONS AND REPORT

Receive Annual Report on Public Information Program (Angela Lowrey)

Ms. Lowrey provided an annual report on the District's Public Information Program. She outlined the goals and highlights of the program for the past year, including increased participation with local schools.

Ms. Lowrey discussed focus items for 2018, and noted key activities, including increased outreach on flushable wipes and ongoing activities. Targeted projects for 2018 include LMC Career Fairs, continued Business-Education alliances, and presenting at industry conferences. She noted her participation on local Boards, public information awards received, and current nominations.

Director Wright expressed appreciation for Ms. Lowrey's work with the local schools and her efforts to facilitate alliances. The Board received and filed the Report.



MANAGER'S COMMENTS

Mr. De Lange reported that the District will be hosting a site visit by Assembly member Phil Ting, to advocate for project funding for the East County Bioenergy Project. He will tour both the Delta Diablo and Mt. Diablo Resource Recovery project sites.

Mr. De Lange reported that he will be participating in the Imagine H2O Water Innovation Forum tomorrow in San Francisco and will lead a roundtable discussion with industry leaders regarding financial challenges associated with developing and implementing innovative technologies.

Mr. De Lange noted that a portion of the District's laboratory space was recently leased out through June 30, 2018, with an option for an additional six months, at a cost of \$1,000 per month. ICF will be using the space to measure available fish food sources in water samples collected from the Delta as a possible linkage to declining fish populations in the Delta.

Mr. De Lange thanked staff for their very well thought-out and informational presentations.

DIRECTORS COMMENTS:

Chair Glover reported that he and the other Board Members recently attended the California Association of Sanitation Agencies (CASA) Annual Policy Forum in Washington, D.C. He stated that the meetings attended on Capitol Hill with congressional representatives will pay off in the future for various District projects. It was a great delegation in attendance, including District Board members, key staff, and lobbyists, and sharing the projects is beneficial to all.

Director Wright stated that this was his first time attending the CASA Washington, D.C. conference and he was able to learn more about the politics associated with water. He noted that it was powerful to have the full Board, together with the General Manager, meet with Senator Feinstein's staff and Congressman McNerney directly to share the importance of these projects to Delta Diablo and our customers, and that we need their support.

CORRESPONDENCE

Receive Monthly Federal Report dated February 2018, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024

The Board received and filed the report.

CLOSED SESSION

None

ADJOURNMENT

Chair Longmire adjourned the meeting at 5:49 p.m. The next regular meeting of the Board of Directors will be on Wednesday, April 11, 2018, at 4:30 p.m.

Sean K. Wright
Vice Chair

(Recording Secretary:

Denise Cappucini Jones)



April 11, 2018

RECEIVE PRESENTATION ON PROPOSED FISCAL YEAR 2018/2019 THROUGH 2022/2023
CAPITAL IMPROVEMENT PROGRAM AND SET PUBLIC HEARING FOR JUNE 13, 2018 TO
CONSIDER APPROVAL OF FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

RECOMMENDATION

- 1) Receive presentation on the proposed update to the District's Fiscal Year 2018/2019 – 2022/2023 (FY18/19 – FY22/23) Capital Improvement Program (CIP).
- 2) Set public hearing for June 13, 2018 at 4:30 p.m. to consider approval of the FY18/19 – FY22/23 CIP.

Background Information

The District's five-year CIP is developed to guide the planning, design, construction, and financing of major projects to ensure the continued effectiveness and reliability of existing infrastructure, address future service needs, and meet current and future regulatory requirements. Each year, the District prepares an update to its CIP to reflect projects planned over the next five years. Preparation of a five-year CIP assists in identifying long-term financial and resource needs, while establishing budget appropriations required to support implementation of projects planned for the new fiscal year beginning in July. Anticipated project expenditures and future appropriations are included for the four subsequent years. In addition, the CIP is incorporated into the annual rate analysis to establish required sewer service charges (SSCs). The initial draft CIP was presented to the Finance Committee on April 4, 2018, and the Committee recommended that it be presented to the Board of Directors.

Supporting documents used for the development of the District's CIP include planning projections from updates to city and county General Plans, city Collection System Master Plans, as well as detailed master plans prepared by the District for its treatment plant and conveyance system facilities. The Conveyance System Master Plan update was completed in April 2010, the Treatment Plant Master Plan update was completed in April 2011, and the Recycled Water Master Plan was completed in August 2013.

Development and expansion, as measured by new service connections expressed in equivalent residential units (ERUs), has tracked below the long-term annual average for the past seven years, and this trend is expected to continue in the near term. Staff reviewed historical growth and development trends for the service area and completed an analysis of expected revenue generated by new development. Based upon this review and analysis, and input from the Finance Committee, staff recommends including an annual average growth assumption of 400 ERUs throughout the five-year planning period to reflect the lower rate of growth and development.

Analysis

The proposed FY18/19 – FY22/23 CIP budget includes approximately \$83 million in planned improvements. These planned improvements along with prior fiscal year appropriations, totals \$108 million in estimated project costs. In FY18/19, staff recommends adding 13 new projects with an estimated combined total value of \$10.8 million. Attachment 1 provides a Program Summary of the proposed CIP with these new projects highlighted. The projects included in the proposed CIP are critical to the District addressing aging infrastructure in the wastewater conveyance and treatment



system. Most of the District's physical assets were constructed in the early 1980s (nearly 40 years ago) and are nearing the end of their useful life. Continued investment in infrastructure renewal and rehabilitation is essential for the District to maintain a proactive versus reactive position, while avoiding infrastructure and equipment failures that could require emergency repairs at a cost premium and associated regulatory compliance and public health impacts.

In the Wastewater Capital Asset Replacement Fund, continuation of several existing projects, such as the Primary Clarifier Area Improvements, Treatment Plant Switchgear Replacement, Headworks Improvements, and District Office Building Roof Replacement, will ensure current and future wastewater treatment system operational reliability. In addition, the District is conducting a thorough evaluation of its wastewater conveyance and treatment system infrastructure as part of the Resource Recovery Master Plan. This assessment is anticipated to be completed by early 2019. This evaluation will guide the District's long-term infrastructure rehabilitation needs. Key new projects include construction of the Antioch Pump Station grinder and diversion structure (\$2 million), recoating of the primary clarifiers (\$1.4 million), and replacement of the Triangle Pump Station, (\$500,000). The Rehabilitations and Replacements Project is recommended to be funded at \$2 million in FY18/19 for planned maintenance projects, based on staff's facility condition assessment efforts in 2017.

In the Wastewater Capital Asset Fund, key new projects include the evaluation and implementation of the Asset Management Program (AMP) at a total estimated cost of \$1.3 million and the construction of intertie piping between the Recycled Water Facility (RWF) and the treatment plant (\$1.7 million). The AMP will develop a tactical plan, including new software identification, to manage the District's assets. This will improve the District's ability to be proactive with repairs and replacements, while reducing costs associated with unexpected infrastructure failure. The RWF and treatment plant intertie will provide operational flexibility to further treat secondary effluent in the event of a treatment plant upset.

In the Recycled Water Capital Asset Fund, continuation of the existing Emergency Back-Up Power Generator Project will ensure reliable power supply to the RWF, which will allow the District to make operational changes while providing recycled water to all customers under all demand conditions. A key new project includes improving the recycled water distribution system (\$300,000). This project will provide even distribution of recycled water over a 24-hour period, which will result in energy savings and lower operations and maintenance costs.

Public Code Section 65403 establishes requirements for the content of the CIP document, as well as the timeline for review and consideration of approval. At least 60 days prior to consideration of adoption by the Board, the proposed CIP must be circulated to planning agencies within the District's service area for review. This review ensures that the CIP accurately reflects the District's policy regarding physical and economic development within our service area. As shown in the CIP Preparation Schedule (Attachment 2), staff recommends that the Board consider approval of the CIP at the June Board meeting so that adopted capital project costs are known in advance of any SSC adjustments considered by the Board.

Financial Impact


The CIP Summary Table shows the draft Project List and anticipated expenditures in each fiscal year. A total of 13 new projects are requested for addition to the CIP, as highlighted in Attachment 1 (Program Summary), with the majority in the Wastewater Capital Asset Replacement Fund. The




proposed FY18/19 – FY22/23 CIP budget is approximately \$83 million with over \$22 million funded with low-interest (2% to 4%) State Revolving Fund (SRF) and IBank loans. The proposed CIP will impact SSCs. Please refer to Finance’s FY18/19 SSC Staff Report for full discussion on options for addressing SSC increases.

Attachments

- 1) CIP Program Summary Table
- 2) CIP Preparation Schedule
- 3) FY18/19 Sewer Service Charge Staff Report

Prepared by: 
Thanh Vo
Acting Engineering Services Director

Reviewed by: 
Vince De Lange
General Manager

cc: District File No. CORP.09-CORRES



Delta Diablo
FY18/19 - FY22/23 Capital Improvement Program
Program Summary

Page	Project Name	Project No.	Priority	Lead Dept.*	Approved Budget through FY17/18	Anticipated Budgets					Estimated Total Project Cost
						FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	
Wastewater Capital Asset (Fund 120)											
CA-	Permanent Brine Transfer Facility	18109	1	ES	\$1,000,000						\$1,000,000
CA-	Resource Recovery Master Plan	18110	1	ES	\$2,000,000	\$500,000					\$2,500,000
CA-	Conveyance and Treatment System Reliability Improvements	18107	3	RRS	\$50,000						\$50,000
CA-	Desalination Study Coordination	TBA	3	ES	\$175,000						\$175,000
CA-	East County Bioenergy Project	16117	3	ES	\$1,500,000	\$5,000,000	\$10,000,000	\$11,000,000			\$27,500,000
CA-	Energy and Water Efficiency Improvements	18108	3	ES	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$300,000
CA-	Future Use Project	18099	3	ES	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$300,000
CA-	Small District Capital Asset Project	18100	3	ES	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$900,000
New	Asset Management Program	TBA	3	ES		\$300,000	\$1,000,000				\$1,300,000
New	RWF & TP Intertie	TBA	1	ES				\$500,000	\$1,200,000		\$1,700,000
Wastewater Capital Asset Fund Total					\$4,975,000	\$6,050,000	\$11,250,000	\$11,250,000	\$750,000	\$1,450,000	\$35,725,000
Wastewater Capital Asset Replacement (Fund 130)											
CAR -	Digester Gas Compressor Replacements	TBA	1	ES				\$500,000			\$500,000
CAR -	Digester No. 2 Evaluation and Repair	18111	1	ES	\$400,000	\$200,000					\$600,000
CAR -	District Office Building Roof Replacement	18112	1	ES	\$1,000,000	\$1,000,000					\$2,000,000
CAR -	District Office Building Rehabilitation	18113	1	ES	\$500,000	\$1,000,000	\$1,000,000	\$2,000,000			\$4,500,000
CAR -	Headworks Improvements	17117	1	ES	\$1,800,000	\$500,000	\$1,000,000	\$8,000,000			\$11,300,000
CAR -	Primary Clarifier Area Improvements	17140	1	ES	\$2,500,000	\$1,500,000					\$4,000,000
CAR -	Pump Station Facilities Repair	17122	1	ES	\$5,330,800	\$4,000,000	\$2,000,000				\$11,330,800
CAR -	SCADA Communication Network/PLC Processor Upgrade	18114	1	RRS	\$600,000	\$400,000					\$1,000,000
CAR -	Sodium Bisulfite Tank and Chemical Building Canopy Replacement	13105	1	ES	\$500,000	\$100,000					\$600,000
CAR -	Treatment Plant Roadway Maintenance Project	18115	1	ES	\$300,000			\$500,000	\$1,500,000		\$2,300,000
CAR -	Treatment Plant Electrical Switchgear Replacement	17120	1	ES	\$1,300,000	\$1,500,000					\$2,800,000
CAR -	Conveyance System Improvements - Sewer Main Blowoffs	TBA	1	ES					\$200,000		\$200,000
CAR -	Conveyance System Rehabilitation and Replacement	18101	2	ES	\$200,000	\$1,000,000	\$200,000	\$200,000	\$200,000	\$200,000	\$2,000,000
CAR -	Emergency Retention Basin Improvements	TBA	2	ES		\$100,000					\$100,000
CAR -	Sewer Permit Software Replacement	18107	2	ES	\$50,000						\$50,000
CAR -	Rehabilitations and Replacements	18102	3	RRS	\$1,000,000	\$2,000,000	\$1,000,000	\$1,250,000	\$1,000,000	\$1,000,000	\$7,250,000
New	APS Grinder & Diversion Structure	TBA	2	ES					\$2,000,000		\$2,000,000
New	Chlorine Contact Influent Gates Replacement	TBA	1	RRS				\$400,000	\$1,100,000		\$1,500,000
New	Primary Clarifier Nos. 1-4 Coating	TBA	1	ES		\$400,000	\$500,000	\$500,000			\$1,400,000
New	RAS Pump Rehabilitation	TBA	2	RRS				\$300,000			\$300,000
New	SCADA Master Plan	TBA	1	ES		\$500,000					\$500,000
New	Triangle Pump Station Replacement	TBA	1	ES		\$200,000	\$330,000				\$530,000
New	On-Site Fueling Station Replacement	TBA	1	ES		\$200,000	\$200,000				\$400,000
New	Primary Clarifier #5 Installation	TBA	2	ES					\$600,000		\$600,000
Wastewater Capital Asset Replacement Fund Total					\$15,480,800	\$13,700,000	\$6,630,000	\$12,450,000	\$4,600,000	\$4,900,000	\$57,760,800
Wastewater Expansion (Fund 140)											
E-	Bridgehead Phase IV Expansion - Force Main Completion	10178	3	ES	\$250,000			\$600,000	\$2,750,000		\$3,600,000
Wastewater Expansion Fund Total					\$250,000			\$600,000	\$2,750,000		\$3,600,000

Delta Diablo
FY18/19 - FY22/23 Capital Improvement Program
Program Summary

Page	Project Name	Project No.	Priority	Lead Dept.*	Approved Budget through FY17/18	Anticipated Budgets					Estimated Total Project Cost
						FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	
Advanced Treatment (Fund 125)											
AT-	Nutrient Technology Research and Innovation	17123	1	ES	\$200,000	\$100,000					\$300,000
AT-	Treatment Plant Nutrient Removal	TBA	3	ES						\$500,000	\$500,000
Advanced Treatment Fund Total					\$200,000	\$100,000				\$500,000	\$800,000
Recycled Water Capital Asset (Fund 220)											
RWA-	Analyzer Room Installation	10187	1	ES	\$150,000						\$150,000
RWA-	Commercial/Residential Recycled Water Fill Station	17124	1	ES	\$50,000						\$50,000
RWA-	Emergency Back-Up Power Generator	15126	1	ES	\$1,400,000	\$300,000					\$1,700,000
RWA-	RWF Filter Backwash Valve Installation	18117	1	ES	\$100,000						\$100,000
RWA-	Recycled Water Asset Advanced Treatment Study and Evaluation	TBA	2	ES	\$100,000						\$100,000
RWA-	Influent Pump Station Improvements	10050	3	ES	\$200,000			\$100,000			\$300,000
RWA-	Power Plant Blowdown Re-routing	15115	3	ES	\$150,000			\$150,000			\$300,000
RWA-	Process Drain Line Modifications	10188	3	ES	\$175,000			\$225,000			\$400,000
RWA-	Recycled Water Facility Filter Cover Improvements Phase II	TBA	3	ES	\$35,000	\$15,000					\$50,000
RWA-	Recycled Water Master Plan Update	TBA	3	ES					\$250,000		\$250,000
RWA-	Small Recycled Water Facility Capital Asset Project	18103	3	ES	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$300,000
RWA-	Treatment Plant Flow Equalization Improvements (ESB)	TBA	3	ES				\$125,000			\$125,000
New	Recycled Water Distribution System Improvements	TBA	3	ES		\$300,000					\$300,000
Recycled Water Capital Asset Fund Total					\$2,410,000	\$665,000	\$50,000	\$650,000	\$50,000	\$300,000	\$4,125,000
Recycled Water Capital Asset Replacement (Fund 230)											
RWR-	RWF CCT Influent Valve Replacement	18118	1	ES	\$100,000						\$100,000
RWR-	FEB Diversion Gate and Control Replacement	TBA	3	ES			\$100,000	\$570,000			\$670,000
RWR-	Recycled Water Facility Repair & Replacement Project	18104	3	RRS	\$100,000	\$400,000	\$300,000	\$100,000	\$100,000	\$100,000	\$1,100,000
New	RWF DEC Drain Valve Automation	TBA	2	ES		\$120,000					\$120,000
New	RWF Sand Filter Backwash Optimization	TBA	2	ES		\$100,000					\$100,000
Recycled Water Capital Asset Replacement Fund Total					\$200,000	\$620,000	\$400,000	\$670,000	\$100,000	\$100,000	\$2,090,000
Recycled Water Expansion (Fund 240)											
RWE-	Distribution Expansion System	18110	3	ES	\$900,000						\$900,000
RWE-	Recycled Water Chlorine Contact Basin Study	TBA	3	ES				\$50,000			\$50,000
Recycled Water Expansion Fund Total					\$900,000			\$50,000			\$950,000
Bay Point Collection (Fund 520)											
BP-	Bay Point Rehabilitation Phase IV	18119	1	ES	\$500,000	\$600,000	\$1,000,000				\$2,100,000
BP-	Unanticipated Bay Point Repair and Replacement	18106	2	ES	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$600,000
Bay Point Collections Fund Total					\$600,000	\$700,000	\$1,100,000	\$100,000	\$100,000	\$100,000	\$2,700,000
Household Hazardous Waste (Fund 310)											
HHW-	Household Hazardous Waste Improvements	18105	3	ES	\$50,000	\$50,000	\$25,000	\$25,000	\$25,000	\$25,000	\$200,000
Household Hazardous Waste Fund Total					\$50,000	\$50,000	\$25,000	\$25,000	\$25,000	\$25,000	\$200,000
Total					\$25,065,800	\$21,885,000	\$19,455,000	\$25,795,000	\$8,375,000	\$7,375,000	\$107,950,800

Delta Diablo Fiscal Year 2018/2019 - 2022/2023 Capital Improvement Program – Preparation Schedule

Task	Documents/Preparation	Completion Date	Meeting Time	Status
Distribute Request for Projects to District Management Staff	Memo via email, attach link for project request form and prep schedule	December 7, 2017	-	Complete
Submit Draft Project Request Forms to CIP Manager	Depts. submit to folder in z drive	January 5, 2018	-	Complete
CIP Update Kickoff Meeting Develop/Review Draft Project List with Staff	Send out meeting notice, schedule meeting room, prepare Kickoff Agenda, Tables, Email, Memo, and Attachment	January 11, 2018	1:00 – 2:00 pm	Complete
Submit Final Project Requests to CIP Manager	Depts. Submit to CIP Manager	By January 19, 2018	-	Complete
Finalize Preferred Project List; Confirm Revenue Sources	Send out project list to confirm with Staff	February 16, 2018	-	Complete
CIP Project Prioritization Meeting (Group)	Table 1	February 21, 2018	2:00 – 3:00 pm	Complete
Executive Management review of Draft CIP (SE, ESD, DGM, GM)	Table 1	March 6, 2018	2:00 – 3:00 pm	Complete
Contact Board Secretary to schedule Finance Committee Meeting	Call or email request	-	-	Complete
Finance Committee Packet Items due for review	Memo, Table 1	March 22, 2018	-	Complete
Draft CIP Report to Finance Committee	Prepare Memo, Table 1A and 1B for meeting	March 27, 2018	11:00 am – noon	Scheduled
Board Meeting Packet Items due for review		March 28, 2018	-	Pending
Prepare Final Draft CIP Document: Initiate 40-day Public Review (This date is driven by necessity to meet June Board Meeting)	Prepare updated CIP (copied & bound), letter to Cities/County & mail, internal review with memo to staff	April 11, 2018	-	Pending
Present Draft CIP to Board and Establish Public Hearing Date	Prepare Docket, New Project Table, CIP Preparation Schedule, & Draft CIP Docs	April 11, 2018	4:30 – 5:30 pm	Scheduled

Task	Documents/Preparation	Completion Date	Meeting Time	Status
Internal Review Comments on Draft CIP	Update draft CIP with changes/additions from internal review	April 16, 2018	1:00 – 2:00 pm	Pending
Submit Final Draft to Finance Committee (This meeting is to be scheduled only if necessary due to significant changes or addition during public review period prior to Board Meeting)	Contact Secretary to the Board to schedule. Prepare Agenda item and Tables 1A and 1B	May 2017 (tentative – depends on necessity) (Date TBD)	Time to be determined	Schedule w/ Board Secretary, if needed
Receive Public Review Comments (This date is driven by 40-day review initiation date)	Receive comments, if any, and update finalize draft CIP document	May 22, 2018	-	Pending
Prepare Final draft CIP Document	Update document	May 30, 2018	-	Pending
Publish Public Hearing Notice (Minimum 10 days prior to Hearing Date)	Senior Engineer to write up notice and Submits to Secretary to the Board to publish	May 30, 2018	-	Scheduled
Final CIP Document Board Approval, Public Hearing	Prepare Board item, Power Point and Final Draft CIP (copy/bind)	June 13, 2018	4:30 – 5:30 pm	Scheduled
Send CIP to printing company (ABC Imaging)	Prepare final CIP in pdf format	June 15, 2018	5:00 pm	Pending
Send out Finalized CIP document	Prepare transmittals for Cities and County and Interoffice memo for DD Employees	Before July 1, 2018	5:00 pm	Pending
Update DD website	Email link to PIM	Before July 1, 2018	5:00 pm	Pending

ITEM E/3

March 14, 2018

REVIEW PROPOSED SEWER SERVICE CHARGE INCREASES, SET PUBLIC HEARING FOR MAY 9, 2018, AND AUTHORIZE DISTRIBUTION OF PROPOSITION 218 NOTICES**RECOMMENDATION**

- 1) Review and comment on proposed Sewer Service Charge (SSC) increases for Fiscal Year 2018/2019 (FY18/19).
- 2) Set public hearing to receive public comment and respond to questions regarding the proposed rate increases for wastewater services for May 9, 2018 at 5:30 p.m.
- 3) Authorize distribution of Proposition 218 Notice addressing proposed increases and notifying property owners of the public hearing on this matter.

Summary Statement

The proposed rate increases include:

- Applying a 6.0% SSC rate increase for Antioch and Pittsburg customers in FY18/19. The proposed rate increase (does not include wastewater collection) equates to an estimated SSC increase of \$21.06 per year or approximately \$1.76 per month.
- Applying a 5.0% SSC rate increase to Bay Point customers in FY18/19. The proposed rate increase (includes wastewater collection) equates to an estimated SSC increase of \$24.99 per year or approximately \$2.08 per month.

No Proposed Street Sweeping Increase

- Annual Street Sweeping Charges, which vary by community (\$4.58 for Bay Point, \$10.26 for Pittsburg and \$5.60 for Antioch) are not proposed to increase.

Background Information

Delta Diablo (District) is a California special district that provides wastewater, street sweeping, and household hazardous waste collection services to the City of Antioch, the City of Pittsburg, and the unincorporated community of Bay Point. For the community of Bay Point (Zone 1), the District also provides wastewater collection services, and Bay Point customers are charged for those additional services through Collection System operating and rehabilitation components added to their SSCs.

SSCs do not pay for any capital costs related to growth, which is funded through the District's Capital Facilities Capacity Charges (CFCCs). Serving nearly 210,000 residents and encompassing 54 square miles, the District is an award-winning agency with a mission to protect public health and the environment. Public ownership of these services allows customers the benefit of reliable service while still having rates among the lowest in the region.

High-quality and environmentally-sound resource recovery services (wastewater utility operations, household hazardous waste, and street sweeping) are essential for public health and economic vitality. Consistent delivery of District services requires continued top performance of our publicly-owned facilities and related infrastructure systems and the expertise of professionals, including state-certified staff.



Each year, the District submits required information to Contra Costa County to place SSCs on the property tax roll for most customers. The current rate analysis includes a 5-year financial planning horizon from fiscal years FY18/19 through FY22/23. The study meets the legal requirement for setting rates that are proportionate to the cost of services provided. The proposed single-year rate implementation will meet the financial goals of generating sufficient revenues given the current assessment of future expenses and economic reserves.

The Board last adopted a rate adjustment in June 2017. The adjustment consisted of a single-year increase of 6.5% for customers in Antioch and Pittsburg and 6.1% for customers in Bay Point, effective FY17/18.

The District's SSCs are determined based on the costs of providing services. These costs include utility operations, capital, rehabilitation, state and federal regulatory compliance, household hazardous waste collection, street sweeping services, and adopted fiscal policies. For the community of Bay Point (Zone 1), the District also provides wastewater collection services, and Bay Point customers are charged for that additional service through an added component to their SSCs. In addition to SSCs, District reserve funds are used consistent with Board policies to keep SSC increases as low as practical.

Based on the financial analysis, staff is recommending adjustments to SSCs rates to remain fiscally sound by:

- Collecting revenues sufficient to meet expenses.
- Complying with Proposition 218, which stipulates that:
 - An agency cannot collect revenue beyond what is necessary to provide service
 - No charge may be imposed for a service unless that service is actually used or immediately available to the owner of the property
 - Revenues derived from the charge shall not be used for any other purpose other than that for which the charge was imposed
 - Fairness in apportionment of total costs of service amongst ratepayer classes (avoidance of subsidization within the rates)
- Reflecting adopted fiscal policies for economic reserves of 40% of operating expenditures
- Meeting commitments made in loan agreements

The remainder of this report details the rates analysis process and conclusions necessitating the SSC rate increases.

Analysis

The process to establish rates that support fiscal stability relies on long-term financial planning and sound fiscal policies. The District continues to be subject to increases in regulatory, operational, and rehabilitation costs. General cost increases include:

- **Growth.** Because the District uses a multi-year rate model to evaluate and project future costs and revenue requirements, projected growth is one of the key assumptions. To the extent growth is robust, fixed costs are spread over more services and rate adjustments may be lower; to the extent growth is slow, fixed costs are spread over fewer services resulting in marginally higher SSC adjustments. Beginning with the FY12/13 rate analysis, the growth assumption was reduced from 600 to 400 equivalent residential units (ERUs) annually. The average growth rate over the past five



years (FY12/13 – FY16/17) has been 433 ERUs, so the assumption of 400 added ERUs annually has been maintained for the FY18/19 analysis.

- **Operating Expenses.** The District has seen costs increase in general. The assumption used for increases in annual operating expenses is 3.0% in the rate model.
- **Salaries.** Labor cost inputs were based on salaries in existing negotiated contracts. Salary and benefits were increased by 3.6% annually based on estimated cost of living adjustment (COLA) increases. Per the terms of the District’s current labor Memoranda of Understanding (MOUs), COLA impacts are reviewed each year and adjusted as necessary.
- **Regulatory Requirements.** Wastewater utilities are highly regulated. New requirements, such as unfunded mandated programs, increasingly stringent reporting requirements, or compliance with updated standards, are routine.
- **Wastewater Rehabilitation Costs.** The District has over \$100 million in wastewater infrastructure assets (net of depreciation) and is currently conducting an assessment of its wastewater conveyance and treatment system infrastructure. The results of this study will better inform the District’s need for long-term infrastructure rehabilitation. An effective rehabilitation program includes evaluations of facilities and proactive repairs and replacements, thus avoiding expenses associated with unexpected infrastructure failure. Alternatively, the utility would be obligated to seek bond financing or emergency loan funds to pay for the repairs, with associated high-interest rates.
- **Economic Reserves.** Utility economic reserves are an essential part of the utility’s operating procedures and ensure the continued ability to provide services during budget shortfalls or unforeseen circumstances. The analysis includes a 40% economic reserve target based on operating expenditures.
- **Debt Service Coverage.** The District is obligated to meet debt service coverage requirements related to long-term debt as part of our various loan agreements. The typical rate covenant for debt issued on wastewater capital improvement projects requires a minimum debt service coverage ratio of 1.20 (ratio of net revenues to expenses). Maintaining debt service coverage requirements is crucial to maintaining the District’s good credit rating.

The District’s revenues and expenditures have been calculated for the next fiscal year based on the adopted FY17/18 Operating Budget, advanced treatment, and draft FY18/19 through FY22/23 capital improvement program (CIP), which have resulted in projected SSC adjustments to ensure that total revenues, including reserve use, cover the cost of providing service. The core components of SSCs are: Regional Treatment and Conveyance, which funds wastewater operations and maintenance (O&M) costs, Capital Asset (CA) for new wastewater reliability capital projects, and Capital Asset Replacement (CAR) for rehabilitation and replacement capital projects. Based on these projected expenditures, the SSCs need to increase for FY18/19, as reflected in Table 1. The projected increases are due to increases in core wastewater service operating and capital needs.

Table 1: Sample Single Family Sewer Service Change on Property Tax Bills for FY18/19

Residential Service	Current Rates	Proposed Rates	Increase
Sewer Service Charges (Customers in Antioch and Pittsburg)	\$351.62	\$372.68	\$21.06
Sewer Service Charges (Customers in Bay Point)	\$497.14	\$522.13	\$24.99

Additionally, it continues to be likely that advanced treatment for nutrient removal will be required to meet future wastewater discharge standards. Funding for this effort began with the FY11/12 SSC review, when the Board established a designated Advanced Treatment (AT) Reserve fund and approved a new rate component to begin funding that reserve. This was the first step in a proposed sinking fund approach to build future cash reserves to levels sufficient to pay for project planning and design, and revenue streams to service debt for project construction. Original capital costs for this



effort were estimated to be \$125 million in escalated dollars with an anticipated target date for compliance of FY23/24. However, as reported to the Board in November 2017 updated information on future permit requirements suggest a new target date of FY33/34, creating additional time to collect the designated funds necessary for this effort and mitigate the significant cost of future long-term debt.

Therefore, instead of 2.7% of the overall proposed increase being designated for future nutrient removal improvements, staff is now recommending 1.0% increases over the next two years. This is consistent with the fund strategy established by the Board of Directors in FY11/12 and minimizes rate increases over the long-run to meet these requirements. The proposed 1.0% increase in FY18/19 would add an additional \$3.47 per year to the AT Reserve rate component, or \$0.29 per month. This, added to the proposed increase for core wastewater SSC components, would bring the total annual adjustment to \$21.06 (6.0%), or \$1.76 per month for all three District zones.

In FY17/18, an additional \$4.1 million was transferred from the AT fund to fund the first year of the CAR fund-related CIP. These fund reserves are rate-funded and, as such, are not typically subject to inter-fund loan provisions. However, because the AT fund was set up for the specific purpose of funding the future AT Project, the transfer will be repaid from the CAR fund beginning FY20/21.

Additionally, inter-fund transfers from the CA fund to the CAR fund of \$1.2 million in FY18/19 and \$1.2 in FY19/20 will provide further funding for rehabilitation needs. Because both funds are rate-funded, inter-fund loans are not required.

Inter-fund loan repayments are also planned from the Capital Expansion fund to the CAR fund to repay funds previously borrowed to cover anticipated shortfalls in CFCC revenue and CFCC-funded debt service. Because the Expansion fund is funded by new development through CFCCs, the loan payments include interest based on Local Agency Investment Fund (LAIF) interest rates. The first repayment to the CAR fund, averaging about \$1 million annually, began in FY17/18 because the existing bonded debt was retired in FY16/17.

Street Sweeping Charges are not proposed to increase next year, as they are sufficient to cover the costs of providing street sweeping services.

Future Considerations

Wastewater services are subject to a myriad of regulatory requirements, power supply, and chemical costs. In the upcoming year, rehabilitation funds will be used to extend the useful life of facilities at the treatment plant, pump station facilities, and in the collection system. In response to new water quality permit limits, the biological treatment process at the plant is anticipated to undergo significant construction during the upcoming years to allow the process to meet more stringent National Pollution Discharge Elimination System (NPDES) requirements. In addition, work to replace the existing Supervisory Control and Data Acquisition (SCADA) system has been ongoing over the past year and should be completed next year. This is a significant milestone that updates a major system that is vital to reliable and effective operation of the treatment plant. In addition to treatment plant improvements, work is planned each year to repair or replace portions of the wastewater collection system that have sustained damage due to age, tree root intrusion, or other natural forces.

Public Outreach

In compliance with Proposition 218, a California law since 1996, notices on proposed rate increases will be sent to all utility customers by March 23, 2018 (a minimum of 45 days prior to the May 9, 2018 public hearing). A copy of the notice is included in this report as Attachment A. The notice outlines the process for protesting the proposed rate increases. Protest ballots can be mailed or hand delivered to



the District on or before the public hearing date, or in person at the public hearing on May 9, 2018. In addition, pursuant to Government Code requirements, notices of the public hearing will be published twice in the East County Times. At the close of the Public Hearing, the Board Secretary will announce the total number of protest responses. If written protests against the proposed rate increases are presented by a majority of the owners of identified parcels, the District cannot impose the adjustments.

Staff presented the proposed SSC analyses to the Finance Committee on March 6, 2018, and the Committee recommended that the Board consider the core SSC, Advanced Treatment and Bay Point Collection System rate component adjustments for the upcoming fiscal year. The Finance Committee also recommended that draft Proposition 218 notices reflecting an increase of up to 6.0% for customers in Pittsburg and Antioch; and an increase of up to 5.0% for customers in Bay Point, be reviewed by the full Board.

Fiscal Impact

Without a rate increase, the overall economic reserves would decline rapidly; from an approximate 63.2% in FY17/18 to 48.9% in FY18/19 and 32.6% in FY19/20. At the end of five years (FY22/23), the reserves would be completely depleted and the District would be unable to fully fund its annual operating costs.

With the proposed rate increase, Pittsburg and Antioch residential customers would see an estimated increase of \$21.06 per year or approximately \$1.76 per month, an increase of 6.0%. Bay Point residential customers would see an estimated increase of \$24.99 or approximately \$2.08 per month, an increase of 5.0%.

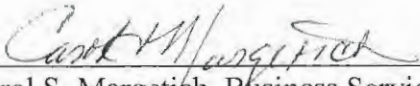
The proposed rate adjustments will result in additional revenue of approximately \$1.7 million to the District including the incremental increase of \$272,000 for deposit into the designated AT Reserve fund. There are separate surcharges for service to Bay Point for operation and rehabilitation of that community's Collection System. The Bay Point surcharges along with growth would increase FY18/19 revenues for Collection System operations and rehabilitation by about \$28,195.

The proposed rate adjustment maintains the District's position as one of the lowest cost overall service providers in the region; strengthens the District's rehabilitation program; and maintains economic reserves, helping to ensure fiscal soundness and resiliency in the face of upcoming unfunded mandates and regulatory requirements. A comparison of District rates, including rates for collections in the cities of Antioch and Pittsburg, with the rates of other regional sanitation agencies will be provided as part of the Board presentation.

Attachments

- 1) Finance Committee Staff Report Memo, dated March 6, 2018
- 2) Draft Proposition 218 Notice

Signature: _____


Carol S. Margetich, Business Services Director

cc: District File CORP.07-CORRES-XXX



April 11, 2018

RECEIVE REPORT ON NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM COMPLIANCE INSPECTION

RECOMMENDATION

Receive report and file.

Background Information

Periodically, the District facilities and procedures are inspected by San Francisco Bay Regional Water Quality Control Board (RWQCB) staff for compliance with National Pollutant Discharge Elimination System (NPDES) permit parameters. On February 14, 2018, the NPDES Compliance Evaluation Inspection (CEI) was conducted by Mr. Vince Christian, Water Resource Control Engineer with RWQCB. As the evaluating engineer for the District, Mr. Christian is highly knowledgeable of our facilities and procedures, and consequently conducted a very thorough review and assessment.

Analysis

Mr. Christian reviewed key aspects of the District's treatment performance, including monthly and annual self-monitoring reports. His review included comparing reported data to internal laboratory analyses and supporting documents. This review confirmed the accuracy and completeness of our compliance reporting data and did not identify any permit limit exceedances. Mr. Christian reviewed the facility maintenance records and determined the work tasks were properly prioritized and well-managed. Mr. Christian also toured the District's Wastewater Treatment Plant, Recycled Water Facility, and maintenance facilities, including the warehouse.

The inspection determined that the District is in full compliance with all parameters of its NPDES Permit, and that there were no adverse findings in any areas of District's performance. Mr. Christian commented on the District's stellar compliance record and stated that he is continually impressed when inspecting the District's clean and orderly facilities. Mr. Christian concluded that Delta Diablo is one of the most impressive and successful facilities under his purview.

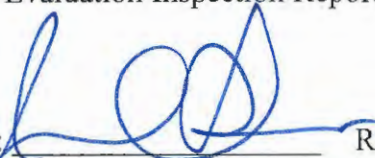
Financial Impact

None

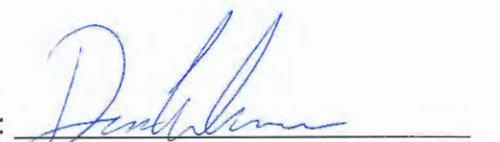
Attachments

Compliance Evaluation Inspection Report

Prepared by:

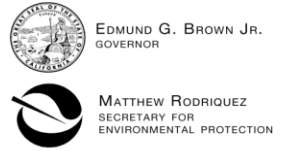

Joaquin Gonzalez
Operations Manager

Reviewed by:


Dean Eckerson
Resource Recovery Services Director

cc: District File No. NPDES.05-INSP





EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

San Francisco Bay Regional Water Quality Control Board

NPDES Compliance Evaluation Inspection (CEI) Report

Facility Name and Location			Entry Date	Entry Time
Delta Diablo Wastewater Treatment Plant 2500 Pittsburg-Antioch Hwy Antioch, CA 94509			2/14/18	10:15 a.m.
			Permit Effective Date	Permit Expiration Date
			10/1/14	9/30/18
Mailing Address	Same as facility location?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Notified?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Delta Diablo 2500 Pittsburg-Antioch Hwy Antioch, CA 94509			If no, rationale:	
CIWQS Inspection ID	31736634	Receiving Water Name	New York Slough	
NPDES Permit Number	CA0038547	County	Contra Costa	
Order Number	R2-2014-0030	Plant Classification	Major	
Type of Discharge	Treated effluent	CIWQS Place ID	219552	
Names and Titles of Onsite Representatives				
Name	Title	Phone	Email	
Amanda Roa	Environmental Programs Mgr	(925) 756-1940	amandar@deltadiablo.org	
Joaquin Gonzalez	Operations Manager	(925) 756-1971	joaquin@deltadiablo.org	
Bill Svoboda	Chemist III	(925) 756-1975	bills@deltadiablo.org	
Fred Ciapusci	Maintenance Supervisor	(925) 756-1918	fredc@deltadiablo.org	
Name and Title of Responsible Official				
Name	Vince De Lange			
Title	General Manager			
Phone	(925) 756-1920			
Email	vinced@deltadiablo.org			
Does responsible official match permit based contact information on file?				Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Does grade level comply with plant classification?				Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Inspector Information			Presented Credentials?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Organization	San Francisco Bay Regional Water Quality Control Board			
Name	Vince Christian			
Title	Water Resources Control Engineer			
Phone	(510) 622-2336			
Email	vchristian@waterboards.ca.gov			

I. PRE-INSPECTION PERMIT REVIEW

		Yes	No	N/A
Is the facility as described in the permit?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the Water Board been notified of any process/production modifications?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Was a permit reissuance application submitted to the Water Board on time?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Was the permit modified prior to any facility or discharge changes?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Discharge Points				
001—New York Slough				
Facility Class				
Chief Plant Operator	Joaquin Gonzalez	Grade	V	
Current ADWF	12.8 mgd			
Permitted ADWF	19.5 mgd			
Current BOD load	19,315 kg/d – average for January 2018			
Current TSS load	17,759 kg/d – average for January 2018			
		Yes	No	N/A
Are current loads less than 80% of design loads?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If no, does annual report describe timing of next plant expansion?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Notes				
Delta Diablo does not operate the treatment plant remotely. It is staffed at all times. It has six grade V operators, one grade IV operator, four grade III operators, six grade II operators, and one grade I operator. I found no problems during the inspection or during my review of the records. The plant was clean and all the equipment appeared to be well maintained. There have been no reported violations since the last inspection.				

II. PRE-INSPECTION MONITORING REPORT REVIEW

Summary of effluent limit violations since last inspection			
Constituent	No. of Violations	Corrective Action Reported	No action reported
None			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
Summary of receiving water violations since last inspection			
Parameter	No. of Violations	No action reported	
Dissolved oxygen	0	<input type="checkbox"/>	
Turbidity	0	<input type="checkbox"/>	
pH	0	<input type="checkbox"/>	
Temperature	0	<input type="checkbox"/>	
Aesthetic issues (e.g., excessive algae, bottom deposits, etc.)	0	<input type="checkbox"/>	
Corrective Actions Reported			
None			
Monitoring and Reporting Program observations since last inspection			
	Yes	No	N/A
Responsible person signs and certifies the DMRs and/or SMRs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Discharger monitors at frequency required by permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
All data collected are summarized	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Coliform concentrations are calculated as required by permit (median, mean, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Detection limits are reported	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
"Less than" and estimated values are properly carried through the calculations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flow measurement period used for load calculations brackets sampling period	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Loading rates are properly calculated	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Data reported in time frame and frequency required by permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have any spills/bypasses been reported to the Regional Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Dates and times of spills/bypasses			

III. RECORDS AND REPORTS REVIEW

	Required onsite?		Available onsite?			Not Inspected	Comments
	Yes	No	Yes	No	N/A		
Current NPDES permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Permit modifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Permit amendments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Compliance orders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Monitoring and reporting program	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Standard provisions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Industrial pretreatment program	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Maintenance records and log book	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Plant operation and maintenance manual	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Equipment manuals	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Plant engineering drawings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Collection system drawings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Maintenance records	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Spill and bypass records	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Biosolids disposal plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Biosolid farm map and disposal agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Soil nutrient analyses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Biosolids loading rate records	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Pollution prevention plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Pathogen/vector reduction records	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Spill prevention control and countermeasure (SPCC) plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Operational logs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Auxiliary power check logs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Notes							

IV. OPERATIONS AND MAINTENANCE REVIEW

		Yes	No	N/A	Not Inspected
Were all records and reports required by permit organized and available?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Was influent flow meter calibration available onsite?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Date of last calibration	1/17/18				
Calibration performed by...	Jeff Alexander				
Was effluent flow meter calibration available onsite?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Date of last calibration	1/17/18				
Calibration performed by...	Jeff Alexander				
Were flow measurement records maintained for past 3 years?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is a maintenance management program in place?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Number of open work orders	242				
Oldest date of open work order	7/29/13				
Are entries to the operational logs made in pen?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Were all operational log entry modifications made with suitable cause?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Were reported spills and bypasses recorded in operational logs?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the facility staffing requirement described in O&M manual?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the facility staffed in accordance with O&M manual?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Were there auxiliary power check logs?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Board permit number	Plant #1258, Expires 3/1/19				
Notes					
<p>The maintenance area was clean and well organized. See photos 18 and 19. Delta Diablo utilizes a Computerized Maintenance Management System (Mainsaver) to manage all work orders, maintain asset information, and warehouse activity. All work orders are prioritized in the descending order of Emergency, Urgent, Preventative, and Routine. Meeting the preventative maintenance schedule is a priority of the Maintenance Division. The number of work orders below is not limited to treatment process equipment but also includes work orders for the remote pump stations and building maintenance.</p> <p><u>Mechanical Work Orders:</u></p> <ul style="list-style-type: none"> • 242 open work orders. • 3,371 work orders were completed in calendar year 2017. • The oldest work order date is 07/29/2013. This is work awaiting the availability of complete shutdown of the Recycled Water Facility. <p><u>Electrical/Instrumentation Work Orders:</u></p> <ul style="list-style-type: none"> • 183 open work orders. • 1,747 work orders were completed in calendar year 2017. • The oldest work order date is 02/08/2010. This work is for removal of unused area control panels for aesthetics. <p>All of the open work orders were for routine maintenance. There were no open work orders that were urgent.</p>					

V. MONITORING RECORDS REVIEW

Are monitoring records and laboratory reports retained in accordance with Attachment D (5 years if related to sewage sludge and biosolids use and disposal; 3 years if related to anything else)?		Yes	No	N/A	Not Inspected
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Are data reported on DMRs/SMRs consistent with analytical results?			
Is the onsite laboratory ELAP certified?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Certification Number	1627				
Expiration Date	9/30/18				
Parameters measured onsite				N/A	Not Inspected
1. influent flow 2. effluent flow 3. chlorine residual 4. BOD 5. TSS				<input type="checkbox"/>	<input type="checkbox"/>
Additional parameters used for internal monitoring and process control				<input type="checkbox"/>	<input type="checkbox"/>
1. Online RAS meter 2. Online MLSS meter 3. RAS flowmeter 4. Online DO meter 5. Online influent pH meter					
Constituents analyzed with hand-held equipment				<input type="checkbox"/>	<input type="checkbox"/>
		Most recent calibration date		Standard expiration date	
1. pH					
2. Dissolved oxygen					
3. Temperature					
Notes					
I reviewed the laboratory data sheets for October 2017 for BOD, TSS, ammonia, nutrients, enterococcus bacteria, and chlorine residual. I compared the results to those reported in CIWQS and found no discrepancies.					

VI. MONITORING REPORT REVIEW

	Yes	No	N/A	Not Inspected
Are loading calculations prepared correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are contract laboratory records and chains of custody available?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do sampling and analytical records include:				
a. Dates, times, and locations of sampling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Names of individuals performing sampling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Analytical methods	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Results of analyses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Dates of analyses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Times of analyses, as necessary to verify holding times	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Analysts names or initials	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Instantaneous flow at grab sample locations, if required	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
MONITORING PROCEDURES				
Are adequate equipment and procedures used for onsite analyses?				
pH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Dissolved oxygen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Temperature	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Turbidity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
UV transmittance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is refrigeration satisfactory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are grab samples collected during representative discharge conditions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Do monitoring locations appear to be appropriate?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do composite sampling procedures comply with the permit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are automatic samplers properly cleaned and maintained?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are samples adequately preserved?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are sample containers appropriate for the samples collected?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are samples collected using appropriate protocols?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are coliform samples collected directly into sterile containers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does coliform sampling occur after the last introduction of wastes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the number of discharge points as described in the permit?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are the locations of the discharge outfalls as described in the permit?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the name of the receiving water as described in the permit?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is site free of any evidence of spills or bypasses?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do the sampling and monitoring appear representative of the discharge?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are groundwater monitoring wells capped and locked?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

VII. FINAL EFFLUENT AND RECEIVING WATER MONITORING

		Yes	No	Not Inspected
APPEARANCE OF FINAL EFFLUENT				
Condition during the inspection				
	Clear (not cloudy)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Colorless	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Free of sheen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Free of scum	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Free of foam	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Other <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Notes				
Final effluent shown in photo 11.				
			Upstream condition is similar	Not Inspected
APPEARANCE OF RECEIVING WATER		Yes	No	
Condition during the inspection				
	Free of distinctly visible plume	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Free of foam and sheen	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Free of snails	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Free of erosion at the discharge point	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Free of bottom deposits	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Free of filamentous algae growth	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Free of microbial layers on aquatic plants	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Other <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Notes				
Discharge is off shore through a deep-water outfall.				

VIII. SITE WALK INSPECTION

Weather and site conditions present during time of inspection							
Overcast, cool							
Treatment Process (described in permit)	Appeared Compliant	Not Present	Non- Operational	Lacking Maintenance	Not Inspected		
1. Headworks (photos 1-4)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
2. Primary Clarifiers (photo 6)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
3. Trickling Filters (photo 7)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
4. Aeration Basins (photo 8)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
5. Secondary Clarifiers (photo 9)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
6. Chlorine Contact Basins (photo 10)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
5. Solids Handling (photo 16 and 17)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
6. Recycled Water Facility (photos 12-15)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Notes							
EMERGENCY OPERATION				Yes	No	N/A	Not Inspected
Is available back-up power appropriate for emergency conditions?				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there alarms systems for power and equipment failure?				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are treatment control procedures established for emergencies?				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Notes							
CHEMICALS ONSITE		MSDS Available?		Secondary Containment?		Not Inspected	
		Yes	No	Yes	No		
Clarifloc WE-223 polymer -		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ferrous chloride – 5000 gallon tank		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sodium bisulfate – 5000 gallon tank		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sodium hypochlorite – 11,000 gallon tank		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Liquid alum – 7000 gallon tank		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Is spill clean-up and containment equipment available?				Yes	No	N/A	
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Notes							

IX. SITE WALK OPERATION AND MAINTENANCE INSPECTION

	Yes	No	N/A	Not Inspected
Maintenance program appears to be in place and being followed	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lift stations appear properly maintained and have back-up power	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Odors are adequately controlled, including...	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ponds	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Headworks	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sludge processing facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Storage appears to control leachate and runoff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public access to storage is prevented	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No safety concerns were observed that might interfere with proper O&M or monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flow devices appear to be properly installed and maintained, and operating without interference	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Notes				
Stormwater handling description				
All stormwater is captured and directed to the trickling filter.				

Photos



1. Bar screens.



2. Grit removal.



3. Grit removal chamber.



4. Waste from screening and grit removal.



5. New pumps. They were formerly in sump during the last inspection.



6. Primary clarifier.



7. Trickling filters.



8. Aeration Basins.



9. Secondary clarifier.



10. Chlorine contact chamber.



11. Final effluent.



12. Sand for recycled water plant.



13. Flocculation tank at recycled water plant.



14. Sand filters at recycled water plant.



15. Recycled water.



16. Sludge digester.



17. Inside the digester. It was being cleaned.



18. Maintenance room.



19. Maintenance storage area.

ITEM J/1

April 11, 2018

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

RECOMMENDATION

Receive and file Report.

Background Information

As lead Agency for the Western Recycled Water Coalition, the District administers a contract with a lobbyist, Key Advocates, Inc. (KA), and receives a monthly summary report regarding related lobbying activities. Attached is the report for March 2018, which was produced by KA and distributed to members of the Western Recycled Water Coalition.

Analysis

None

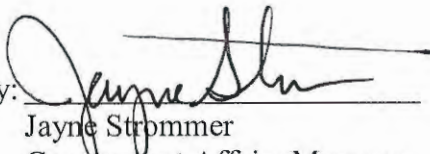
Financial Impact

None


Attachment

Monthly Report, March 2018

Prepared by:


Jayne Strommer
Government Affairs Manager

Reviewed by:


Thanh Vo
Acting Engineering Services Director

cc: Project File No. P.90024.06.01





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

March 30, 2018

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

Infrastructure: The Status

Since the Feb. 12 unveiling of its infrastructure plan (a 53-page document that lays out its vision; namely, to turn \$200B in federal money into \$1.5T for fixing America's infrastructure by leveraging local and state tax dollars and private investment), we've observed two apparently differing paths that it has been pursuing with respect to Congress. On the one hand, key Administration official - Secretary Elaine Chao, DOT, et al - have been making the rounds with key Members urging support for, and action on, a mega infrastructure bill. They continue to tout this effort as high on the President's list of priorities. While they continue to sidestep the answer to the source of Federal funding for the bill - on that they continue to say they will defer to Congress - they are pushing the argument that such an effort would be a political and substantive win for all. On the other hand, we are also hearing that the Administration prefers "a different cadence than tax reform," and that they expect infrastructure to pass as "a series of legislation, not one large piece of legislation," because of the sheer number of Congressional committees involved, plus administrative actions on project permitting. For Congress' part, hearings are ongoing (see report herein). We are aware of at least two key committees that have engaged in discussions and drafting of infrastructure proposals - the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works. Details and status of both efforts are closely guarded. Also, Members of both parties and in both Houses are saying privately that they hope Congress passes an infrastructure package before the midterm elections. House and Senate Democrats are saying that they have put forth great infrastructure proposals - a trillion dollars, 10 million new jobs - roads, bridges, sewer, water and new things like rural broadband and, they assert, they have paid for it.

FY18 Appropriations Bills: Generally

On March 23, the President signed into law a \$1.3 trillion spending package that will increase funding for the military and domestic spending and will keep the government funded through the end of September.

On March 22, the Senate passed the bill after at least two Republican senators held up the legislative process and made it appear unclear whether the bill could pass ahead of the deadline. The bill passed 65-32, averting a potential government shutdown and funding the government through September 30.

Earlier that day, the House passed the legislation, voting 256-167 with Democrats and Republicans coming together to pass it less than 24 hours after the 2,300-page bill was made public.

To review, Congress was unable to pass any of the FY18 federal agency appropriations bills prior to the October 1 start of the new fiscal year. In order to avoid a government-wide shut-down, Congress initially passed a short-term Continuing Resolution (CR) extending through December 8, 2017 which funded government programs at the previous FY17 levels. A subsequent CR was passed extending government funding until December 22, 2017. A third CR was passed on December 21 extending funding through January 19, 2018 and a then fourth CR through February 8. A fifth and last CR was passed extending through March 23.

FY18 “Water” Appropriations

From the FY18 Omnibus Appropriations Act:

From Division D of the Explanatory Statement accompanying the bill -

WaterSmart Grants, \$34M

Title XVI, \$54.4M (no further breakdown)

*WaterSMART Program: Title XVI Water Reclamation & Reuse Program.- Of the funding provided for this program, **\$20,000,000** shall be for water recycling and reuse projects as authorized in section 4009(c) of Public Law 114-322 (note – this reference is the WIIN Act).*

There is also the following language on evaluation criteria, which we believe is consistent with our discussion with John Watts from Senator Feinstein’s office last month, when he said they’re working on report language for the FY18 appropriations bill regarding “more diversity of factors.”

“Title XVI Evaluation Criteria -The Secretary is directed to review the technical proposal evaluation criteria in future funding opportunity announcements associated with water recycling and reuse projects to ensure that a diversity of water recycling projects are able to equitably compete for funding. When evaluating projects for available funding, the Secretary is directed to consider that a project's economic benefits can be measured in multiple ways, not only through cost per acre-foot of water generated, to ensure an equitable comparison of projects. Further, the Secretary is directed to consider the cost per acre-foot of each project in comparison to other water supply alternatives available within the project area and the cost per acre-foot of water generated by projects with similar characteristics. “

From Division G of the Explanatory Statement accompanying the bill -

The amount provided increases funding for the State Revolving Loan Funds \$600,000,000 above the fiscal year 2017 enacted level. The agreement includes a total of **\$1,693,887,000 for the Clean Water State Revolving Loan Fund** and \$1,163,233,000 for the Drinking Water State Revolving Loan Fund.

President’s FY19 Budget: WaterSMART, Title XVI, CALFED

The Budget proposes \$10M for WaterSMART grants, \$3M for Title XVI and \$35M for CALFED.

President's FY19 Budget: Clean Water SRF

The Budget proposes \$997M for the Clean Water SRF.

Napolitano Title XVI Bill

On Feb. 27, Congresswoman Grace F. Napolitano introduced H.R. 5127, the Water Recycling Investment and Improvement Act, to assist water agencies with the expansion, planning, designing, and building of water recycling plants and modernizing water infrastructure in California, other western states, and communities across the country. The bill now has 13 cosponsors - all Democrats. The bill: increases funding Authorization for the Bureau of Reclamation's Title XVI water recycling competitive grant program to \$500 million from \$50 million; makes the program permanent as it currently expires in 2021; funds water recycling and reuse projects for 17 western states; reauthorizes the expired EPA Alternative Water Source Projects Program; provides \$375 million in authorization for the Alternative Water Source program and makes it permanent for water agencies across the country; and, provides grants for projects that conserve, manage, reclaim, or reuse water, wastewater, or stormwater.

The Coalition submitted its comments during the drafting process, many of which were included in the introduced bill. A letter of support for the bill was also submitted. Her office is also circulating a letter for Members to sign to the Appropriations Committee for increased funding for WaterSMART and Title XVI (including the WINN grant program). The Coalition is assisting in this effort.

GAO Recycled Water Study

The original request (per a July 29, 2015, letter from Reps. Napolitano, Huffman and Tonko) was for a comprehensive water report that looked across agencies at the federal water role and addressed bureaucracy, redundancy and improving the government's role in water issues. GAO produced this report - http://www.gao.gov/products/GAO-17-559?utm_medium=email&utm_source=govdelivery. Given that the question asked of GAO at the time to investigate water recycling was prior to the WINN Act program, GAO, in conjunction with the original requestors, has decided to do a second report focusing on the "new" Title XVI program. Input from the Coalition has been sought regarding this effort. The first step was a conference call between GAO, Jayne Strommer and Key Advocates. The Coalition provided background information as well as its history with Title XVI, pre- and post the WINN Act. The Coalition also submitted formal, written comments this month.

Bureau of Reclamation \$50M Grant Program

On March 12, USBR announced that it is seeking comments on the updated evaluation criteria associated with the WaterSMART Title XVI Water Reclamation and Reuse Program. Through the Title XVI Water Reclamation and Reuse Program, Reclamation provides financial assistance to local water agencies for the planning, design and construction of water reclamation and reuse projects.

Per the announcement, these evaluation criteria will be used in the fiscal year 2018 Title XVI funding opportunity announcement which will be open to both congressionally authorized Title XVI projects and Water Infrastructure Improvements for the Nation Act Title XVI projects. Several

changes to the criteria used in the 2017 Title XVI WIIN Act funding opportunity are being proposed for the FY 2018 announcement. To see the proposed criteria, visit <https://www.usbr.gov/watersmart/title/docs/2018/Title%20XVI-Evaluation-Criteria-Review.pdf>.

Regarding the three first round winners (North Valley Regional Recycled Water Program (which includes the City of Turlock) at \$4.3 million, Orange Co. San. District at \$1.4 million, and the Water Replenishment Dist. Of SoCal at \$4.3 million), the projects were included in the FY18 Omnibus Act.

SRF WIN (Securing Required Funding for Water Infrastructure Now) Bills

The bills are [S. 2364](#) and [H.R. 4902](#) and are included herein because they have bipartisan co-sponsorship support. The Senate bill was introduced by Senators John Boozman (R-AR), Chair of the Water Subcommittee of the Environment and Public Works Committee (EPW), and Senator Diane Feinstein (D-CA), Ranking Democrat of the Energy and Water Appropriations Subcommittee. Cosponsors are Senators Jim Inhofe (R-OK), Chair of the EPW Transportation and Infrastructure Subcommittee and Cory Booker (D-NJ), Ranking Democrat of the EPW Superfund Subcommittee (now with 10 sponsors). The House bill was introduced by Congressmen John Katko (R-NY-24), a member of the Water Resources Subcommittee of the Transportation and Infrastructure Committee, and Earl Blumenauer (D-OR-3), a member of the Ways and Means Committee (now with 4 sponsors) and, if you recall, the author of the voluntary fee labeling bill.

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

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

Status Update: 1 additional cosponsor added to the Senate bill since the last report.

House Hearings

On March 6, the Committee on Transportation and Infrastructure held a hearing on “Examining the Administration’s Infrastructure Proposal.” The witness was the Secretary of Transportation.

On March 7, the Subcommittee on Highways and Transit of the Committee on Transportation and Infrastructure held a hearing on “Building a 21st Century Infrastructure for America: Long-Term

Funding for Highways and Transit Programs." The purpose of this hearing was to receive the views of highways and transit stakeholders regarding the benefits to the Nation of long-term funding for highways and transit programs, as well as the sustainability of current methods of providing funding. The Subcommittee heard from representatives of the American Association of State Highway and Transportation Officials, the Western Road Usage Charge Consortium, the American Trucking Associations, the U.S. Chamber of Commerce, and the Economic Policy Institute.

On March 15, the Subcommittee on Water Resources and Environment of the Transportation and Infrastructure Committee held a hearing on "Building a 21st Century Infrastructure for America: Water Resources Projects and Policy" The Subcommittee received testimony from the United States Army Corps of Engineers (Corps) on the 2017 and 2018 Reports to Congress on Future Water Resources Development, and on Chief's Reports. This hearing is intended to provide Members with an opportunity to review these reports and the process the Corps undertakes for developing its projects and activities for the benefit of the Nation.

Senate Hearings

On March 1, the Senate Committee on Environment and Public Works held a hearing entitled, "*The Administration's Framework for Rebuilding Infrastructure in America.*" Witnesses were The Honorable Elaine Chao, Secretary, United States Department of Transportation; and, The Honorable R.D. James, Assistant Secretary of the Army Civil Works.

On March 13, the Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety and Security of the Commerce Committee held a hearing on "Rebuilding Infrastructure in America: State and Local Transportation Needs." The hearing examined opportunities to improve the national transportation network to better connect communities across the country. Witnesses were Kyle Schneweis, Director, Nebraska Department of Transportation; Dan Gilmartin, Executive Director and Chief Executive Officer, Michigan Municipal League and Member of the National League of Cities; Jordan Kass, President, Managed Services, TMC Division, C.H. Robinson; and, Jo Strang, Senior Vice President, Safety and Regulatory Policy, American Short Line and Regional Railroad Association

On March 14, the Senate Committee on Commerce, Science, and Transportation, held a hearing on "Rebuilding Infrastructure in America: Administration Perspectives." The hearing focused on the Administration's infrastructure proposal, including a discussion of various policy reforms, permitting improvements, and program ideas outlined in the White House's proposal. Witnesses were Secretary Elaine Chao, U.S. Department of Transportation; Secretary Wilbur Ross, U.S. Department of Commerce; Secretary Alexander Acosta, U.S. Department of Labor; Secretary Sonny Perdue, U.S. Department of Agriculture; and, Secretary Rick Perry, U.S. Department of Energy.

Earmarks

As a result of the recent House hearings on earmarks, it was decided that both parties would take the issue to their respective caucus for further deliberation. The Republicans have done so. There was some discussion in the caucus but not too extensive and no resolution was forthcoming. The Democrats have not brought the issue up but are planning to do so.

To review, on Jan. 17-18, the House Rules Committee held hearings on earmarks. The formal title of the hearings was “Article 1: Effective Oversight and the Power of the Purse.” Members of Congress were the witnesses for day one of the hearings. Over 25 testified and the support was overwhelming by both Republicans and Democrats for return of some form of earmarks. Day two included “outside” witnesses who testified both for and against bringing earmarks back.

Feb. 27 Meetings: Follow-Up’s

Isaac Irby, LA, Senator Harris and Monica Pham, Leg Counsel -

For further consideration, emailed copy of Coalition original request letter asking the Senator to introduce the companion bill to the McNerney Coalition projects bill.

Teri Donaldson, Majority General Counsel, Senate Energy and Natural Resources Committee -

As requested, emailed information on “what SRF’s mean to recycled water?”

Lane Dickson, Majority Professional Staff Member, and Camille Touton, Minority Professional Staff Member, Senate Energy and Natural Resources Committee -

Emailed them, per our suggestion, the Coalition’s comments to the Napolitano WIIN bill.

Bill Tracking

Note the format per the change in format by the Congress for the listing of bills. More information on each bill will be provided when it becomes available on the official site. Note: summary of subject matter will only appear once. Note further: “Latest Action” will only be included when substantive: hearing, markup, Floor action, etc.

[H.R.23](#)— 115th Congress (2017-2018) **Gaining Responsibility on Water Act of 2017**

Sponsor: [Rep. Valadao, David G. \[R-CA-21\]](#) (Introduced 01/03/2017) **Cosponsors:** (14)

Committees: House - Natural Resources, Agriculture **Latest Action:** Passed House on July 12.

Status Update: no change since the last report.

[H.R.434](#)— 115th Congress (2017-2018) **New WATER Act Sponsor:** [Rep. Denham, Jeff \[R-CA-10\]](#) (Introduced 01/11/2017) **Cosponsors:** (9) **Committees:** House - Natural Resources

Status Update: no change since the last report.

[H.R.465](#)— 115th Congress (2017-2018) **Water Quality Improvement Act of 2017**

Sponsor: [Rep. Gibbs, Bob \[R-OH-7\]](#) (Introduced 01/12/2017) **Cosponsors:** (1, now 8)

Committees: House - Transportation and Infrastructure

Status Update: one cosponsor added since the last report.

[H.R.547](#)— 115th Congress (2017-2018) **National Infrastructure Development Bank of 2017**

Sponsor: [Rep. DeLauro, Rosa L. \[D-CT-3\]](#) (Introduced 01/13/2017) **Cosponsors:** (73, now 79)

Committees: House - Energy and Commerce, Transportation and Infrastructure, Financial Services, Ways and Means

Status Update: no change since the last report.

[H.R.875](#)— 115th Congress (2017-2018) **Bureau of Recl. Water Project Streamlining Act**

Sponsor: [Rep. Newhouse, Dan \[R-WA-4\]](#) (Introduced 02/06/2017) **Cosponsors:** (0)

Committees: House - Natural Resources
Status Update: no change since the last report.

[H.R.660](#)— 115th Congress (2017-2018) **Bureau of Reclamation Transparency Act**
Sponsor: [Rep. Gosar, Paul A. \[R-AZ-4\]](#) (Introduced 01/24/2017) **Cosponsors:** ([18](#), now 20)
Committees: House - Natural Resources
Status Update: no change since the last report.

[H.R.1669](#)— 115th Congress (2017-2018) **Partnership to Build America Act of 2017**
Sponsor: [Rep. Delaney, John K. \[D-MD-6\]](#) (Introduced 03/22/2017) **Cosponsors:** ([23](#), now 27)
Committees: House - Transportation and Infrastructure, Ways and Means
Status Update: no change since the last report.

[H.R.1670](#)— 115th Congress (2017-2018) **Infrastructure 2.0 Act**
Sponsor: [Rep. Delaney, John K. \[D-MD-6\]](#) (Introduced 03/22/2017) **Cosponsors:** ([21](#))
Committees: House - Ways and Means, Transportation and Infrastructure, Rules
Status Update: no change since the last report.

[H.R. 4419](#) – 115th Congress (2017-2018) **The Bureau of Reclamation and Bureau of Indian Affairs Water Project Streamlining Act**
Sponsor: [Rep. Newhouse, Dan \[R-WA-4\]](#) (Introduced 11/16/2017) **Cosponsors:** ([2](#)) **Committees:** House – Natural Resources Latest Action: House – 11/30/2017 Subcommittee Hearings Held
Status Update: no change since the last report.

[S.216](#)— 115th Congress (2017-2018) **Bureau of Reclamation Transparency Act** **Sponsor:** [Sen. Barrasso, John \[R-WY\]](#) (Introduced 01/24/2017) **Cosponsors:** ([1](#)) **Committees:** Senate - Energy and Natural Resources
Status Update: no change since the last report.

[S.1756](#)— 115th Congress (2017-2018) **Rebuild America Now Act**
Sponsor: [Sen. Sullivan, Dan \[R-AK\]](#) (Introduced 08/03/2017) **Cosponsors:** ([10](#))
Committees: Senate - Environment and Public Works
Status Update: no change since the last report.

April 11, 2018

RECEIVE LETTER DATED MARCH 15, 2018, CALIFORNIA SANITATION RISK
MANAGEMENT AUTHORITY, POOLED LIABILITY PROGRAM TWENTY-SIXTH DIVIDEND
DECLARATION

RECOMMENDATION

Receive letter on California Sanitation Risk Management Authority (CSRMA) Dividend declaration.

Background

Delta Diablo has been a participating member of the CSRMA Pooled Liability Program since July 1, 1987. The CSRMA Pooled Liability Program (PLP) is a risk-sharing insurance program that provides third-party liability coverage specifically for the wastewater industry. Program coverage includes General and Automobile Liability due to Bodily Injury, Property Damage, Personal Injury, Employment Practices Liability, and Public Entity Errors and Omissions. The Program's pooled layer limit is \$500,000 and the reinsurance limit is \$25,000,000. Total limits of coverage for the Program are \$25,500,000.

CSRMA member agencies finance the PLP through their annual premiums, which are set using a cost allocation plan and rating formula based on each agency's share of expected losses, program insurance costs, and annual program administrative costs. Since 1988, CSRMA has used a Retrospective Rating Plan to ensure sufficient funds are maintained in the PLP to cover all losses incurred by the PLP. After the close of each Program Year, CSRMA calculates the amount of any remaining unencumbered funds to be shared among the membership as dividends.

Analysis

CSRMA has been providing service to its member agencies over the past 32 years, and has returned over \$23 million in dividends since its inception. At its January 24, 2018 Board meeting, the CSRMA Board declared a dividend totaling \$1,217,635 based on the PLP results from Program Years 1986/1987 through 2011/2012. The District's share of the declared dividend was \$27,710, which was received on March 23, 2018 along with the attached letter from CSRMA. The dividend is approximately 29% of the annual PLP premium payment for Fiscal Year 2017/2018, which was \$97,155.

Financial Impact

At the April 11, 2012 Board meeting, the Board authorized staff to deposit future CSRMA PLP dividend proceeds into the District's Other Post-Employment Benefits (OPEB) Trust Fund. Therefore, consistent with Board authorization, the dividend of \$27,710 will be deposited into the OPEB Trust Fund.

Attachment

Letter dated March 15, 2018 from CSRMA

Prepared by:



Cheryl Rhodes Alexander
Human Resources and Risk Manager

Reviewed by:



Carol S. Margetich
Business Services Director

cc: District File CORP.10-CORRES-XXX



Cheryl -



CSRMA California Sanitation Risk Management Authority

c/o ALLIANT INSURANCE SERVICES, INC.
100 Pine Street, 11th Floor, San Francisco, CA 94111-5101

Tel: 415.403.1400

Insurance License No.: 0C36861
Fax: 415.874.4813

OFFICERS:

Paul Bushee, *President*
760.753.0155
Greg Baatrup, *Vice President*
707.429.8930

PAST PRESIDENTS:

Russ Baggerly
2010-2014
Robert Reid
2006-2010

March 15, 2018

Ms. Carol Margetich
Delta Diablo
2500 Pittsburg-Antioch Hwy
Antioch, CA 94509

Pooled Liability Program
Twenty-Sixth Dividend Declaration

Dear Carol:

On January 24, 2018, in accordance with the Board adopted Policy and Procedure, the Board of Directors declared a dividend. Dividends declared reflect favorable results from Program Years 1986/87 – 2011/12. Enclosed is Delta Diablo's dividend share in the amount of \$27,710.

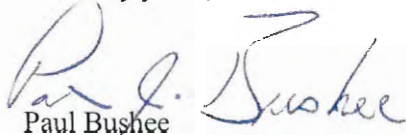
All agencies share in dividends through the formula adopted by the Board of Directors. Dividends are in addition to the Retrospective Rating Program, which limits returns to 25% of a member's original deposit. Any remaining unencumbered funds up to 25% of the amount in any one year are shared among the membership as dividends.

This year, our 32nd year of providing service to our membership, the total amount of the dividend declared is \$1,217,635. This remarkable result is reflective of a continued effort in *effective risk management* by member agencies, as well as through the hard work of the CSRMA claims management staff, Program Committee, and the Executive Board.

We expect to declare dividends again next year, the calculation of which will incorporate all prior program years including 2012/13. Overall, the Pooled Liability Program has returned over \$23 million in dividends since its inception, giving a clear indication that the program continues to remain fiscally healthy and is meeting the needs of the membership.

Thank you for your continued participation.

Sincerely yours,


Paul Bushee
President

**CALIFORNIA SANITATION
RISK MANAGEMENT AUTHORITY**
C/O ALLIANT INSURANCE SERVICES, INC.
100 PINE STREET 11TH FLOOR
SAN FRANCISCO, CA 94111

UNION BANK OF CALIFORNIA
GOVERNMENT SERVICES #291
SAN FRANCISCO, CA 94104
16-49-1220

G 20776

02/08/2018

PAYEE NAME ON FILE AT THE BANK

PAY TO THE
ORDER OF

DELTA DIABLO SANITATION DISTRICT

\$ **27,710.00

Twenty-seven thousand seven hundred ten and 00/100***** DOLLARS

Delta Diablo Sanitation Dist.
2500 Pittsburg/Antioch-Highway
Antioch, CA 94509

THIS CHECK EXPIRES AND IS VOID 45 DAYS FROM ISSUE DATE

[Handwritten Signature]
AUTHORIZED SIGNATURE



⑈020776⑈ ⑆122000496⑆ 2740026936⑈

RUB OR BREATHE ON THE PINK LOCK & KEY ICONS - COLOR WILL FADE AND RETURN ON AN AUTHENTIC CHECK IF COLOR DOES NOT FADE DO NOT ACCEPT

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY C/O ALLIANT INSURANCE SERVICES, INC.

G 20776

02/08/2018 DELTA DIABLO SANITATION DISTRICT

Date	Type	Reference	Original Amount	Balance Due	Payment
02/08/2018	Bill	Dividends	27,710.00	27,710.00	27,710.00
		Check Amount			27,710.00

1005.2 General Check 27,710.00

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY C/O ALLIANT INSURANCE SERVICES, INC.

G 20776

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