

**TREATMENT PLANT ADVISORY COMMITTEE  
PROPOSED BUDGET AND  
TEN YEAR CIP FUNDING STRATEGY  
STUDY SESSION**

**Thursday, April 17, 2014  
3:30pm – 4:30pm  
San Jose City Hall, Tower 1734**

**Purpose**

Provide an opportunity for TPAC to engage in a discussion on the Proposed 2014-2015 Operating Budget, the Proposed 2015-2019 Capital Improvement Program (CIP) Budget and the ten year funding strategy for the San José-Santa Clara Regional Wastewater Facility.

3:30	<b>I. Opening Remarks</b> (Kerrie Romanow)
3:35	<b>II. Study Session Objectives and Agenda Overview</b> (Ashwini Kantak) <ul style="list-style-type: none"> <li>• Study Session Objectives</li> <li>• Agenda Overview <ul style="list-style-type: none"> <li>○ City of San José’s Proposed 2014-2015 Operating Budget and Proposed 2015-2019 CIP Budget</li> <li>○ Guiding Principles and Approach for Developing Ten Year Funding Strategy for CIP</li> <li>○ Policy Considerations</li> <li>○ Next Steps</li> </ul> </li> </ul>
3:40	<b>III. Proposed 2014-2015 Operating Budget and Proposed 2015-2019 CIP Budget</b> (Allen Fong) <p>Outcome: Provide an opportunity for TPAC to review and discuss proposed budgets in advance of the May TPAC meeting, at which TPAC will make its recommendation on the Proposed Budgets.</p>

3:50	<p><b>IV. Guiding Principles and Approach for Developing Ten Year Funding Strategy for CIP</b> (Ashwini Kantak/Robb Grantham)</p> <ul style="list-style-type: none"> <li>• Background</li> <li>• Desired Outcomes</li> <li>• Guiding Principles</li> <li>• Assumptions and Model</li> <li>• Funding Strategies</li> </ul> <p>Outcome: Ensure common understanding of the process undertaken to address desired outcomes of predictability and stability of capital contributions, to the maximum extent practical, over the next ten years. Provide information on challenges and opportunities for achieving the desired outcomes and seek input on the variables that can be adjusted to smooth out funding spikes.</p>
4:10	<p><b>V. Policy Considerations</b> (Kerrie Romanow/Ashwini Kantak)</p> <ul style="list-style-type: none"> <li>• Base level of cash funded investment in the Wastewater Facility</li> <li>• Stabilization of annual capital contributions</li> <li>• Reserve policy</li> </ul> <p>Outcome: Ensure common understanding of the policy considerations that will enable smoothing out of the funding spikes</p>
4:20	<p><b>VI. Next Steps</b> (Ashwini Kantak)</p> <ul style="list-style-type: none"> <li>• April – June 2014: Consideration and Adoption of Proposed 2014-2015 Operating Budget and Proposed 2015-2019 CIP Budget</li> <li>• June 2014: Completion of Financial Analysis Phase II; bring forward funding strategy document to TPAC for adoption</li> <li>• March 2015: Draft amendment of Master Agreement to reflect financing terms to all agencies</li> <li>• June 2015: Clean Water Financing Authority approval of bonds and San Jose City Council approval of Master Agreement amendment</li> </ul>
4:25	<p><b>Open Forum</b></p>
4:30	<p><b>Adjourn</b></p>