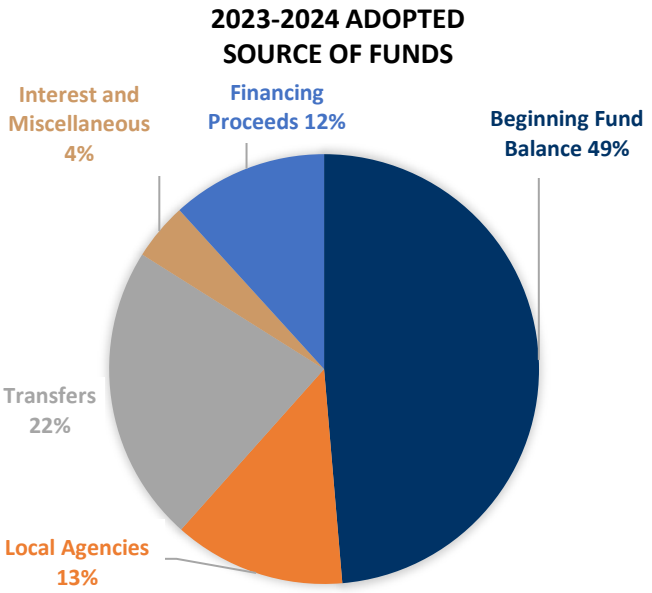
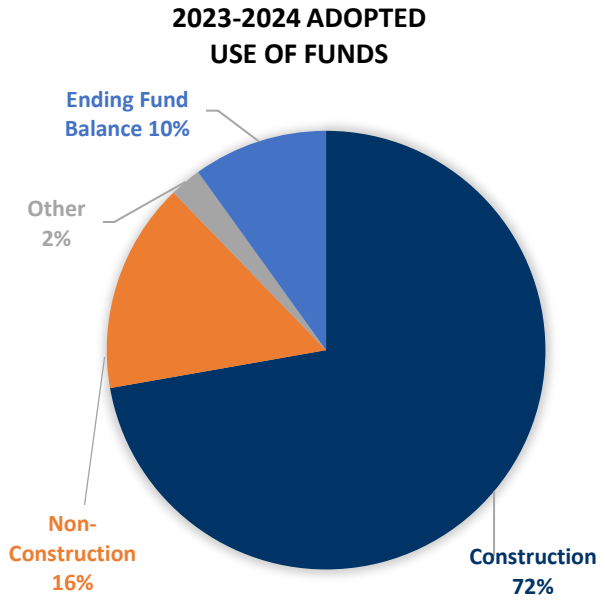
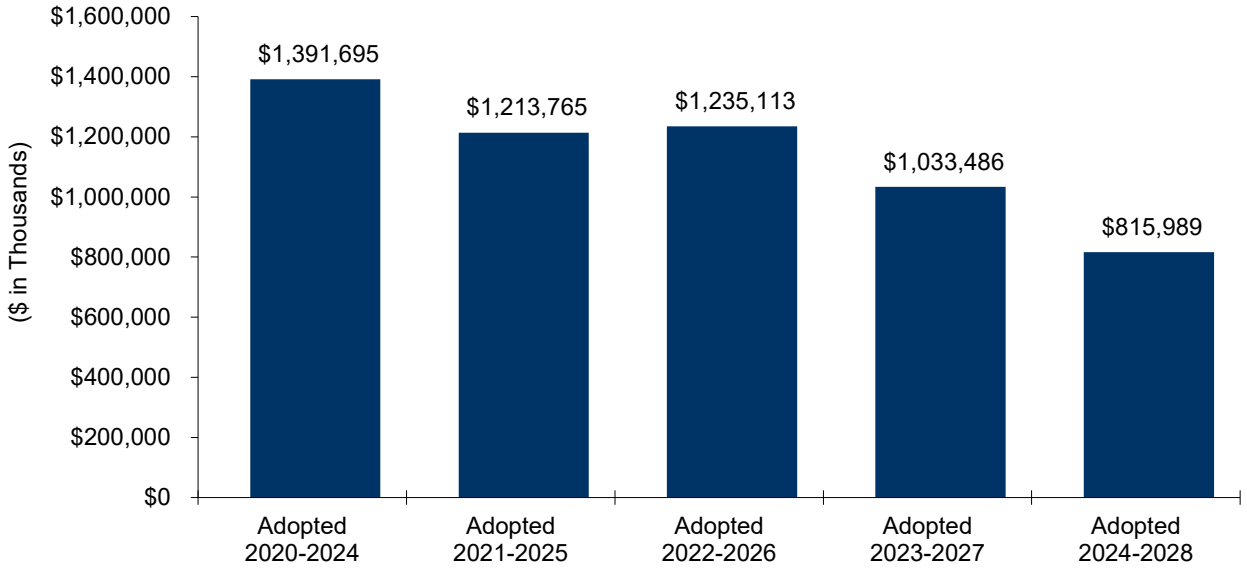
WATER POLLUTION CONTROL
2024-2028 Capital Improvement Program

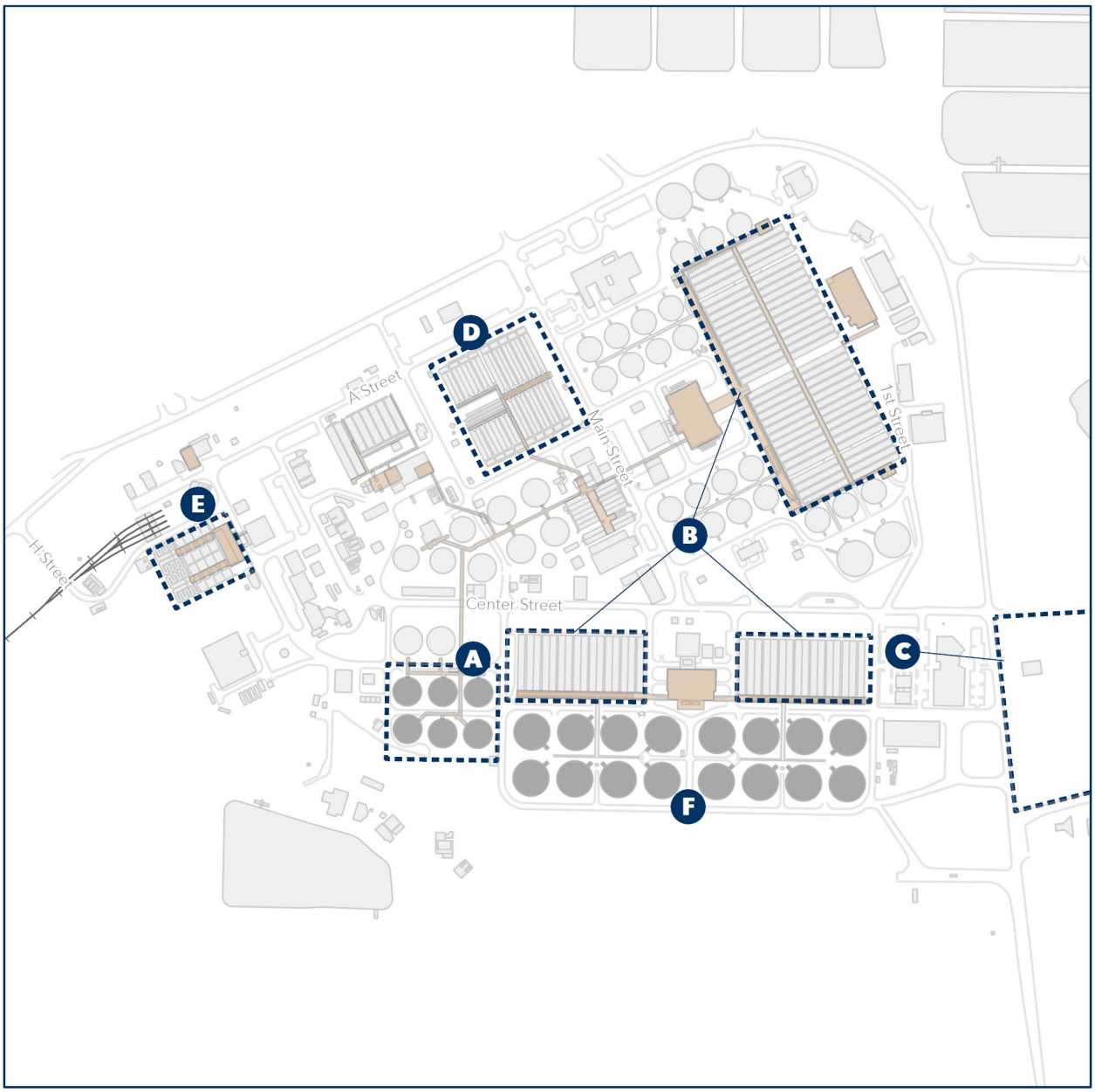




CIP History



Water Pollution Control
2024-2028 Adopted Capital Improvement Program



Ⓐ Additional Digester Upgrades

Ⓑ Aeration Tanks and Blower Rehabilitation

Ⓒ Digested Sludge Dewatering Facility

Ⓓ East Primary Rehabilitation, Seismic Retrofit, and Odor Control

Ⓔ Filter Rehabilitation

Ⓕ Nitrification Clarifier Rehabilitation

OVERVIEW

INTRODUCTION

The San José-Santa Clara Regional Wastewater Facility (RWF) is a regional wastewater treatment facility serving eight South Bay cities and four special districts including: San José, Santa Clara, Milpitas, Cupertino Sanitary District (Cupertino), West Valley Sanitation District (Campbell, Los Gatos, Monte Sereno, and Saratoga), County Sanitation Districts 2-3 (unincorporated), and Burbank Sanitary District (unincorporated). The RWF is jointly owned by the cities of San José and Santa Clara and is administered and operated by the City of San José's Environmental Services Department (ESD). ESD is also responsible for planning, designing, and constructing capital improvements at the RWF, including water reuse facilities. On March 26, 2013, the City Council approved to change the name of the San José-Santa Clara Water Pollution Control Plant to the RWF for use in public communications and outreach.

RWF INFRASTRUCTURE	
ACRES OF LAND	2,684
AVERAGE DRY WEATHER INFLUENT CAPACITY (MILLIONS OF GALLONS PER DAY)	167
AVERAGE DRY WEATHER INFLUENT FLOW (MILLIONS OF GALLONS PER DAY)	88.8
DRY METRIC TONS OF BIOSOLIDS HAULED EACH YEAR	65,000
AVERAGE MEGAWATTS PRODUCED	14.0

The 2024-2028 Adopted Capital Improvement Program (CIP) provides funding of $816.0 million, of which $212.8 million is allocated in 2023-2024. The five-year CIP is developed by City staff, reviewed by the Treatment Plant Advisory Committee (TPAC), and approved by the San José City Council. The budgeted costs are allocated to each agency based on its contracted-for capacity in the RWF. Each agency is responsible for its allocated share of RWF costs, as well as the operation, maintenance, and capital costs of its own sewage collection system; debt service on bonds issued by the agency for sewer purposes; and any other sewer service-related costs. Each agency is also responsible for establishing and collecting its respective sewer service and use charges, connection fees, or other charges for sewer service.

This program is part of the Environmental and Utility Services City Service Area (CSA) and supports the following outcomes: *Reliable Utility Infrastructure* and *Healthy Streams, Rivers, Marsh, and Bay.*

PROGRAM PRIORITIES AND OBJECTIVES

The 2024-2028 Adopted CIP is consistent with the goals and policies outlined in the City's Envision San José 2040 General Plan. The following are the identified goals and priorities for 2023-2024:

- Maintain adequate operational capacity for wastewater treatment to accommodate the City's economic and population growth;
- Adopt and implement new technologies for wastewater to achieve greater safety, energy efficiency, and environmental benefit; and
- Maintain and operate the RWF in compliance with all applicable local, state, and federal regulatory requirements.

OVERVIEW

PROGRAM PRIORITIES AND OBJECTIVES

The development of the Adopted CIP is guided by the Plant Master Plan (PMP), a 30-year planning-level document focused on long-term rehabilitation and modernization of the RWF. The City Council approved a preferred alternative for the Draft PMP in 2011 and in 2013, the City Council approved the PMP and certified the final Environmental Impact Report. In December 2013, Santa Clara's City Council took similar actions.

San José-Santa Clara Regional Wastewater Facility

The PMP recommends more than 114 capital improvement projects to be implemented over a 30-year planning period at an estimated investment level of approximately $2 billion. The PMP assumed an implementation schedule of 2010 through 2040.

In 2013, the City Council approved a multi-year master services agreement with MWH Americas, Inc. (MWH) for program management consultant services to assist with managing and implementing the RWF CIP. In 2017, MWH was acquired by Stantec Consulting Services Inc. (Stantec). In 2022, the City Council approved an amendment to extend Stantec's services through 2026 to align with completion of major capital projects under construction.

Program priorities for the near term include: managing long-term financing (for San José only); continuing to focus on program and project delivery; and actively managing project risks and variables to inform timing and amount of major encumbrances.

New Headworks

OVERVIEW

SOURCES OF FUNDING

Revenues for the 2024-2028 Adopted CIP are derived from several sources: transfers from the Sewer Service and Use Charge (SSUC) Fund, contributions from the City of Santa Clara and other tributary agencies, interest earnings, Calpine Metcalf Energy Center Facilities repayments, and debt-financing proceeds. Occasional transfers from the Sewage Treatment Plant Connection Fee Fund are programmed as needed per the receipt of connection fee revenue in that fund.

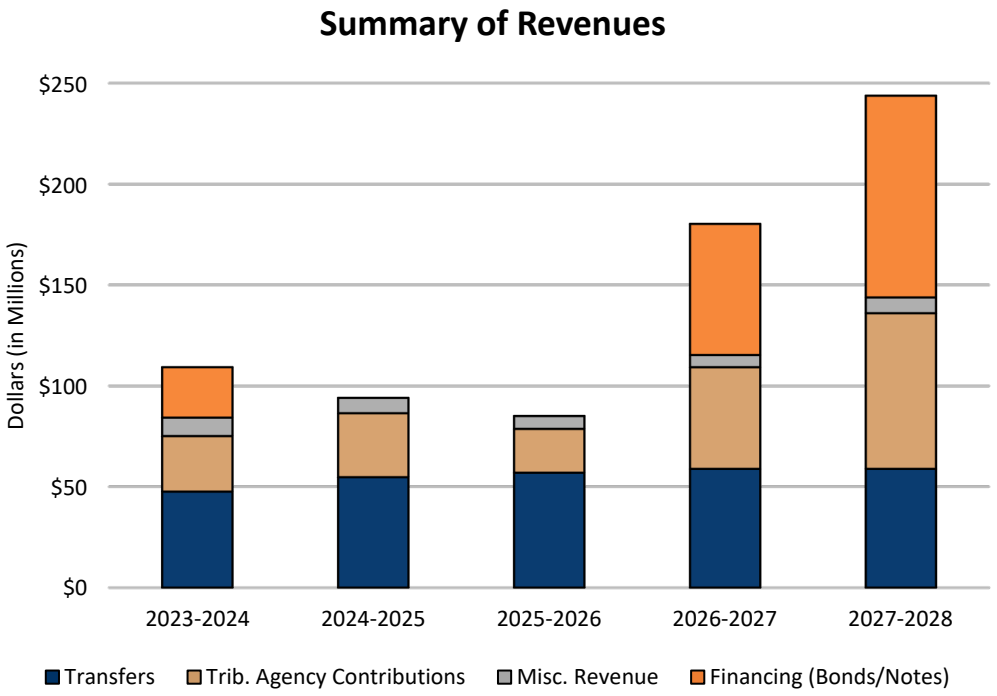
The SSUC Fund derives its revenues from fees imposed on San José users of the residential, commercial, and industrial sanitary sewer system. Transfers from this fund to the RWF CIP over the five years total $276.9 million, which represents a $32.8 million (10.6%) decrease as compared to the 2023-2027 Adopted CIP.

Contributions from the City of Santa Clara and other agencies are determined according to agreements with the participating agencies, the amount and characteristics of flows from each agency's connections to the RWF, and the adopted budget for that fiscal year. In this Adopted CIP, contributions from the City of Santa Clara and other agencies total $208.5 million, which represents a $43.4 million (26.3%) increase compared to the 2023-2027 Adopted CIP.

To accommodate San José's portion of the project costs for the RWF, Financing Proceeds (Wastewater Revenue Notes and Bond Proceeds) are assumed to cover costs of the RWF improvements in the Adopted CIP. The establishment of an interim financing program, in the form of Wastewater Revenue Notes, was approved in October 2017 and renewed in September 2020 to provide up to $300 million in interim financing capacity. The Notes provide periodic, short-term, flexible funding to meet the cash flow needs of the RWF improvement project. Generally, the notes are repaid within a three-year period and offer lower interest costs than fixed rate bonds. In December 2022, long-term bonds in the amount of $301.1 million were issued to both repay the Wastewater Revenue Notes issued since 2017-2018 and to cover other CIP project and financing costs within that fiscal year. Associated debt service for the Wastewater Revenue Notes and debt service for the bonds total $106.9 million in this CIP, which includes $17.6 million in 2023-2024, $19.7 million in 2024-2025, $22.0 million in 2025-2026, $23.8 million in 2026-2027, and $23.8 million in 2027-28. The estimated size of the debt financings and the related debt service are scheduled to cover external third-party capital costs programmed in the 2024-2028 Adopted CIP while avoiding large rate increases that would be required to fund the PMP in a "pay-as-you-go" scenario. City of San José staff costs will be cash-funded and not included in either the Wastewater Revenue Notes program or long-term debt financing. Additional debt financing, in the form of notes and bonds, will likely be needed to fund project costs beyond the Adopted CIP period.

OVERVIEW

SOURCES OF FUNDING

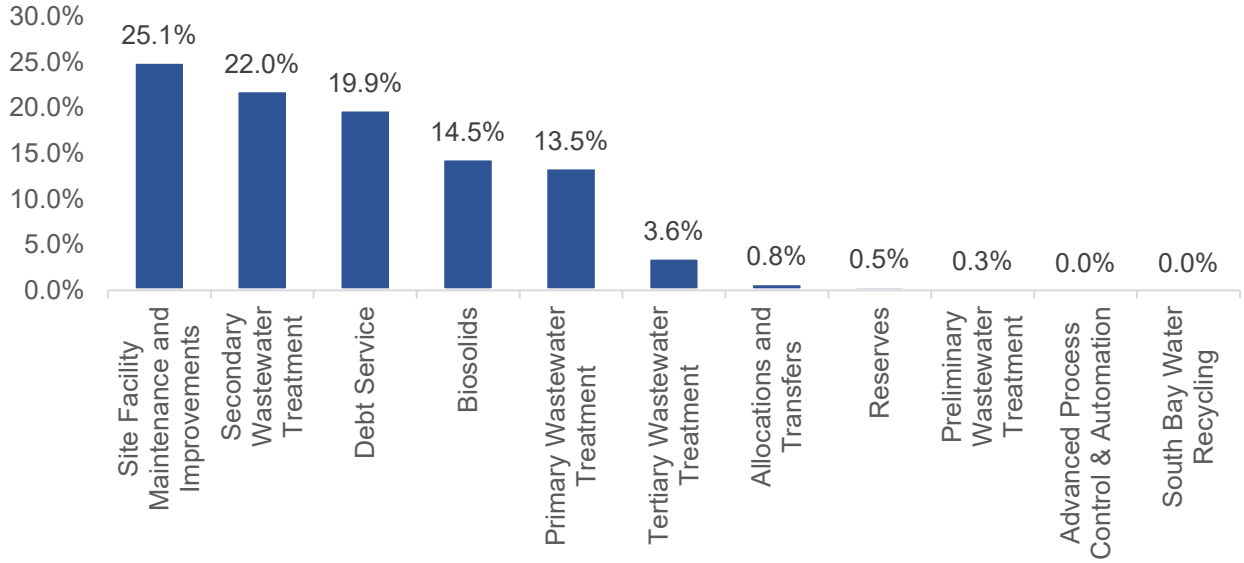


OVERVIEW

PROGRAM HIGHLIGHTS

The Water Pollution Control Capital Program's expenditures are organized to show the use of funds in several categories, as summarized in the table below.

2024-2028 Water Pollution Control Capital Program Expenditures
$810.1 million
(excludes Ending Fund Balance)



Program/Project Delivery and Implementation: Successful delivery of this large, multi-disciplinary CIP requires an integrated team of City staff, outside consultants, and contractors. To address the significant large-scale construction activity, City staff has implemented a construction management strategy that has been incorporated into the 2024-2028 Adopted CIP. This includes maintaining a construction management budget to provide the necessary support from Public Works Department and third-party construction management and controls consultants required for projects of this magnitude and complexity.

Program/Project Delivery Variables: On the project delivery front, it is important to recognize that several projects in the Adopted CIP are in the feasibility/development or design phases. Staff will continue to develop and refine project scope, schedules, and budgets as the projects progress through scoping, preliminary engineering, detailed design, and bid award. To the extent possible, staff will continue to monitor and implement mitigation measures to minimize impacts to project delivery schedule and cost caused by various factors such as changes in project delivery staffing resources, long lead time items, external permit reviews and approvals, and construction bidding climate. The program team continues to work on developing standardized project delivery tools, design standards and specifications, control system and integration strategies, startup, commissioning, and training.

OVERVIEW

PROGRAM HIGHLIGHTS

Digested Sludge Dewatering Facility

The addition of a mechanical dewatering facility to replace the existing lagoons and drying beds at the Plant was identified as a priority since the adoption of the PMP that TPAC recommended and City Council approved in 2013.

View of new dewatering building

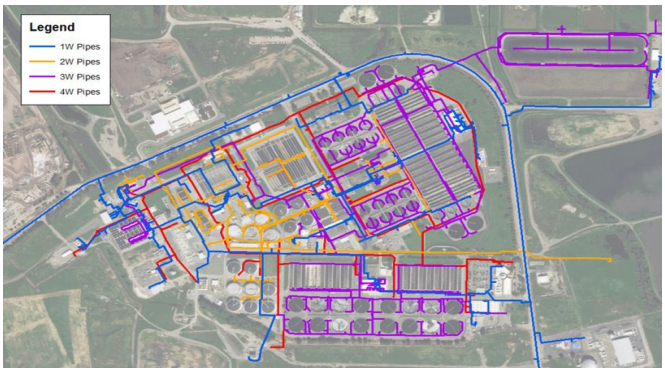
The project will construct a new dewatering building to house mechanical dewatering equipment; dewatered cake storage, conveyance, and truck load-out facility; chemical feed station; pump station to return centrate to headworks; operations and maintenance space and storage; and associated mechanical, electrical, and instrumentation equipment. The facilities will transfer sludge from the digesters to the new dewatering building on the east side of Zanker Road. The dewatered sludge will be loaded into trucks and hauled away for a variety of beneficial uses.

Ultimately, the project will allow the Plant to retire its current open-air operation, which uses more than 500 acres of land and requires four years to produce sundried biosolids. By comparison, the new dewatering facility will use 10 acres of land and dewater biosolids in less than one day.

The 2024-2028 Adopted CIP allocates $7.6 million for construction and post-construction. The estimated total project cost is $178.0 million and construction is anticipated to be finished in 2025-2026.

Facility Wide Water Systems Improvements

The Plant has five water systems including potable water (1W), groundwater (2W), process water (3W), fire protection water (4W), and recycled water (RW). These water systems were constructed over time and have not been upgraded on account of age, water demands, or pressure requirements over several decades. Prior condition assessments indicated that much of the existing water system piping is at or nearing the end of its useful service life.



Project site map

The project will upgrade and/or replace aging components of the various Plant water systems to extend the useful service life and reliably meet current and future water demands.

OVERVIEW

PROGRAM HIGHLIGHTS

The 2024-2028 Adopted CIP allocates $62.2 million for construction and post-construction costs. The estimated total project cost is $75.4 million. Construction award is expected in 2023-2024 and construction completion is anticipated in 2025-2026.

For further information on the program's individual projects, please refer to the Detail Pages.

MAJOR CHANGES FROM THE 2023-2027 ADOPTED CIP

The overall size of the Water Pollution Control CIP has decreased by $217.5 million from $1.03 billion in the 2023-2027 Adopted CIP to $816.0 million in the 2024-2028 Adopted CIP. The changes to the size of the CIP are attributable to projects being completed and are therefore no longer funded in the future, or to projects that have been otherwise shifted out of the five-year planning horizon.

Major Changes to Project Budgets
The following table outlines the most significant changes to project budgets, including new/augmented allocations and reduced/eliminated allocations.

Project Name	Incr/(Decr)
Aeration Tanks and Blower Rehabilitation	$105.4 million
Additional Digester Upgrades	$49.0 million
Facility Wide Water Systems Improvements	$16.9 million
Plantwide Security Systems Upgrade	$9.9 million
Flood Protection	$5.0 million

OPERATING BUDGET IMPACT

The Digested Sludge Dewatering Facility Project is expected to introduce significant new operating costs in the San José-Santa Clara Treatment Plant Operating Fund in the Operating Budget. The estimated operating and maintenance impacts are due to chemical, labor, maintenance consumables (e.g., parts, oil), electrical, and hauling & tipping costs. Until the lagoons and drying beds can be fully retired, it is anticipated there will be several years with the new dewatering facility and existing lagoons and drying beds in concurrent operation. Detail on the impacts beginning in 2025-2026 through 2027-2028 is provided in Attachment A at the conclusion of the Overview and in the Project Detail Pages.

Net operating cost impacts will continue to be evaluated and updated based on final design and operation configurations and may result in different costs when the actual budget for the year in question is developed.

OVERVIEW

COUNCIL-APPROVED REVISIONS TO THE PROPOSED CAPITAL IMPROVEMENT PROGRAM

Changes to the Proposed Capital Improvement Program were brought forward in the Mayor's June Budget Message for Fiscal Year 2023-2024 and adopted by the City Council on June 20, 2023. This included rebudgeting of unexpended funding for projects totaling $35.1 million in Manager's Budget Addendum #60, the largest of which includes Facility Wide Water Systems Improvements ($5.0 million), Plantwide Security Systems Upgrade ($4.4 million), Plant Infrastructure Improvements ($4.0 million), Final Effluent Pump Station & Stormwater Channel Improvements ($3.6 million), Aeration Tanks and Blower Rehabilitation ($3.3 million), Support Building Improvements ($3.1 million), Filter Rehabilitation ($1.9 million), Owner Controlled Insurance Program ($1.6 million), New Headworks ($1.5 million), Nitrification Clarifier Rehabilitation ($1.3 million), and Storm Drain System Improvements ($1.0 million).

For more information, please refer to the Mayor's June Budget Message for Fiscal Year 2023-2024, located in the Appendices of this document, and Manager Budget Addendum #61 which incorporates adjustments per the Mayor's June Budget Message.

Water Pollution Control
2024-2028 Adopted Capital Improvement Program

Attachment A - Operating Budget Impact

	2024-2025	2025-2026	2026-2027	2027-2028
Water Pollution Control				
Digested Sludge Dewatering Facility		$15,492,000	$18,192,000	$19,444,000
Total Water Pollution Control		**$15,492,000**	**$18,192,000**	**$19,444,000**

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Water Pollution Control
2024-2028 Adopted Capital Improvement Program
Source of Funds (Combined)

San José-Santa Clara Treatment Plant Capital Fund (512)

	Estimated 2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	5-Year Total
Beginning Balance	(56,902,424)	99,467,510	20,693,510	5,120,510	5,729,510	6,926,510	99,467,510
Reserve for Encumbrance	253,154,217						
Transfers and Reimbursements							
Transfer for Plant CIP Debt Service from Sewer Service and Use Charge Fund (541)	15,338,000	17,577,000	19,715,000	21,954,000	23,845,000	23,846,000	106,937,000
Transfer for Capital Projects from Sewer Service and Use Charge Fund (541)	30,000,000	30,000,000	35,000,000	35,000,000	35,000,000	35,000,000	170,000,000
TOTAL Transfers and Reimbursements	**45,338,000**	**47,577,000**	**54,715,000**	**56,954,000**	**58,845,000**	**58,846,000**	**276,937,000**
Revenue from Use of Money and Property							
Interest Income	4,817,000	8,707,000	7,165,000	5,940,000	5,589,000	7,371,000	34,772,000
TOTAL Revenue from Use of Money and Property	**4,817,000**	**8,707,000**	**7,165,000**	**5,940,000**	**5,589,000**	**7,371,000**	**34,772,000**
Revenue from Local Agencies							
WPCP Projects and Equipment Replacement	25,939,000	27,528,000	31,724,000	21,724,000	50,392,000	77,150,000	208,518,000
TOTAL Revenue from Local Agencies	**25,939,000**	**27,528,000**	**31,724,000**	**21,724,000**	**50,392,000**	**77,150,000**	**208,518,000**
Other Revenue							
Calpine Metcalf Energy Center Facilities Repayment	389,000	389,000	389,000	389,000	389,000	389,000	1,945,000
TOTAL Other Revenue	**389,000**	**389,000**	**389,000**	**389,000**	**389,000**	**389,000**	**1,945,000**
Financing Proceeds							
Wastewater Revenue Notes	178,130,000	25,000,000			65,000,000	100,000,000	190,000,000

* The 2024-2025 through 2027-2028 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

Water Pollution Control

2024-2028 Adopted Capital Improvement Program

Source of Funds (Combined)

	Estimated 2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	5-Year Total
Bond Proceeds	301,100,000						
TOTAL Financing Proceeds	**479,230,000**	**25,000,000**			**65,000,000**	**100,000,000**	**190,000,000**
Total San José-Santa Clara Treatment Plant Capital Fund (512)	**751,964,793**	**208,668,510**	**114,686,510**	**90,127,510**	**185,944,510**	**250,682,510**	**811,639,510**
South Bay Water Recycling Capital Fund (571)							
Beginning Balance	4,003,802	4,034,802	406,802	444,802	482,802	520,802	4,034,802
Revenue from Use of Money and Property							
Interest Income	56,000	63,000	63,000	63,000	63,000	63,000	315,000
TOTAL Revenue from Use of Money and Property	**56,000**	**63,000**	**63,000**	**63,000**	**63,000**	**63,000**	**315,000**
Total South Bay Water Recycling Capital Fund (571)	**4,059,802**	**4,097,802**	**469,802**	**507,802**	**545,802**	**583,802**	**4,349,802**
TOTAL SOURCES	**756,024,595**	**212,766,312**	**115,156,312**	**90,635,312**	**186,490,312**	**251,266,312**	**815,989,312**

* The 2024-2025 through 2027-2028 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

Water Pollution Control

2024-2028 Adopted Capital Improvement Program

Use of Funds (Combined)

	Estimated 2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	5-Year Total
Water Pollution Control							
Headworks Improvements	3,382,849	481,000					481,000
New Headworks	28,363,404	1,880,000					1,880,000
Preliminary Wastewater Treatment	**31,746,253**	**2,361,000**					**2,361,000**
East Primary Rehabilitation, Seismic Retrofit, and Odor Control	155,000	6,206,000	1,419,000	5,386,000	1,389,000	94,756,000	109,156,000
Primary Wastewater Treatment	**155,000**	**6,206,000**	**1,419,000**	**5,386,000**	**1,389,000**	**94,756,000**	**109,156,000**
Aeration Tanks and Blower Rehabilitation	5,874,896	8,805,000	1,184,000	5,566,000	1,625,000	106,801,000	123,981,000
Nitrification Clarifier Rehabilitation	19,674,843	2,258,000	22,530,000	1,183,000	1,217,000	790,000	27,978,000
Secondary Clarifier Rehabilitation			565,000	2,833,000	22,379,000	159,000	25,936,000
Secondary Wastewater Treatment	**25,549,739**	**11,063,000**	**24,279,000**	**9,582,000**	**25,221,000**	**107,750,000**	**177,895,000**
Filter Rehabilitation	36,714,972	3,207,000					3,207,000
Final Effluent Pump Station & Stormwater Channel Improvements	311,000	4,128,000	12,460,000	449,000			17,037,000
New Disinfection Facilities				952,000	6,179,000	722,000	7,853,000
Outfall Channel and Instrumentation Improvements	5,817,969	977,000					977,000
Tertiary Wastewater Treatment	**42,843,941**	**8,312,000**	**12,460,000**	**1,401,000**	**6,179,000**	**722,000**	**29,074,000**
Additional Digester Upgrades	355,000	2,147,000	1,208,000	5,920,000	97,757,000	1,860,000	108,892,000
Digested Sludge Dewatering Facility	141,589,305	4,929,000	2,317,000	793,000			8,039,000
Digester and Thickener Facilities Upgrade	12,061,292						
FOG Receiving						313,000	313,000
Biosolids	**154,005,597**	**7,076,000**	**3,525,000**	**6,713,000**	**97,757,000**	**2,173,000**	**117,244,000**
Energy Generation Improvements	2,788,715						

* The 2023-2024 through 2026-2027 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

Water Pollution Control

2024-2028 Adopted Capital Improvement Program

Use of Funds (Combined)

	Estimated 2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	5-Year Total
Plant Electrical Reliability	2,008,444						
Electrical Systems and Power Generation	**4,797,159**						
Advanced Facility Control and Meter Replacement	6,866,299	150,000					150,000
Treatment Plant Distributed Control System	2,153,912						
Advanced Process Control & Automation	**9,020,211**	**150,000**					**150,000**
Facility Wide Water Systems Improvements	2,258,571	64,379,000	1,622,000	1,263,000			67,264,000
Flood Protection	974,867	5,684,000	7,731,000	269,000			13,684,000
Plant Infrastructure Improvements	1,821,119	6,003,000	2,056,000	1,000,000	1,000,000	1,000,000	11,059,000
Plantwide Security Systems Upgrade	1,969,005	14,822,000	6,502,000	124,000			21,448,000
Storm Drain System Improvements	9,555,183	2,018,000					2,018,000
Support Building Improvements	5,005,970	19,269,000	581,000	667,000	686,000	3,164,000	24,367,000
Tunnel Rehabilitation				2,302,000	467,000	430,000	3,199,000
Urgent and Unscheduled Treatment Plant Rehabilitation	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Various Infrastructure Decommissioning	24,000	435,000	2,590,000	18,470,000	691,000		22,186,000
Yard Piping and Road Improvements	23,498,181	4,377,000	12,678,000	1,952,000	10,938,000	475,000	30,420,000
Site Facility Maintenance and Improvements	**46,606,895**	**118,487,000**	**35,260,000**	**27,547,000**	**15,282,000**	**6,569,000**	**203,145,000**
Hydraulic Capacity Engineering	25,000	25,000	25,000	25,000	25,000	25,000	125,000
South Bay Water Recycling	**25,000**	**25,000**	**25,000**	**25,000**	**25,000**	**25,000**	**125,000**
Water Pollution Control - Construction	**314,749,795**	**153,680,000**	**76,968,000**	**50,654,000**	**145,853,000**	**211,995,000**	**639,150,000**
Debt Service Repayment for Plant Capital Improvement Projects	315,338,000		2,115,000	4,354,000	6,245,000	6,246,000	18,960,000

* The 2023-2024 through 2026-2027 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

Water Pollution Control

2024-2028 Adopted Capital Improvement Program

Use of Funds (Combined)

	Estimated 2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	5-Year Total
Owner Controlled Insurance Program	2,250,000	2,613,000	764,000				3,377,000
Preliminary Engineering - Water Pollution Control	4,504,799	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
Program Management - Water Pollution Control	14,371,004	10,845,000	10,311,000	10,253,000	6,801,000	6,289,000	44,499,000
RWF Bond Debt Service 2022A		17,577,000	17,600,000	17,600,000	17,600,000	17,600,000	87,977,000
General Non-Construction - Water Pollution Control	**336,463,803**	**33,035,000**	**31,790,000**	**33,207,000**	**31,646,000**	**31,135,000**	**160,813,000**
Water Pollution Control - Non-Construction	**336,463,803**	**33,035,000**	**31,790,000**	**33,207,000**	**31,646,000**	**31,135,000**	**160,813,000**
Public Art Allocation	108,000						
Public Art Projects	**108,000**						
Capital Program and Public Works Department Support Service Costs	1,086,000	1,246,000	793,000	522,000	1,504,000	2,187,000	6,252,000
Allocations	**1,086,000**	**1,246,000**	**793,000**	**522,000**	**1,504,000**	**2,187,000**	**6,252,000**
City Hall Debt Service Fund	70,242	39,000	40,000	40,000	40,000	40,000	199,000
Transfers to Special Funds	**70,242**	**39,000**	**40,000**	**40,000**	**40,000**	**40,000**	**199,000**
Transfer to the General Fund	44,443						
Transfers to the General Fund	**44,443**						
Transfers Expense	**114,685**	**39,000**	**40,000**	**40,000**	**40,000**	**40,000**	**199,000**
Hydraulic Capacity Enhancements Reserve		3,666,000					3,666,000
Expense Reserves - Non-Construction		**3,666,000**					**3,666,000**
Total Expenditures	**652,522,283**	**191,666,000**	**109,591,000**	**84,423,000**	**179,043,000**	**245,357,000**	**810,080,000**
Ending Fund Balance	103,502,312	21,100,312	5,565,312	6,212,312	7,447,312	5,909,312	5,909,312
TOTAL	**756,024,595**	**212,766,312**	**115,156,312**	**90,635,312**	**186,490,312**	**251,266,312**	**815,989,312**

* The 2023-2024 through 2026-2027 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

Additional Digester Upgrades

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2021
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2028
Location	Water Pollution Control Plant	**Revised Start Date**	2nd Qtr. 2022
Dept Owner	Environmental Services	**Revised End Date**	3rd Qtr. 2030
Council Districts	4	**Initial Project Budget**	$64,475,000
Appropriation	A426D	**FY Initiated**	2021-2022

Description This project will rehabilitate up to six existing anaerobic digesters, including installation of new covers and mixers, upgrades to the existing sludge distribution piping, and upgrades to the digester heat supply system. The project may also include the installation of batch tanks to produce Class A biosolids (if required by future regulations).

Justification This project will complete the second phase of work for the Digester and Thickener Facilities Upgrade to ensure safe and reliable operation of the digestion facilities.

Notes This project corresponds to Plant Master Plan Project Nos. 50, 51, and 53, and Validation Project PS-02. Prior to 2018-2022, this project was part of "Digester and Thickener Facilities Upgrade".

Major Cost Changes 2024-2028 CIP – Increase of $49.0 million due to revised scope and cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	5	355	1,272					1,272		1,632
Design			875	698				1,573		1,573
Bid & Award				510	5,920	934		7,364		7,364
Construction						96,823	1,860	98,683	3,012	101,695
Post Construction									1,217	1,217
Total	**5**	**355**	**2,147**	**1,208**	**5,920**	**97,757**	**1,860**	**108,892**	**4,229**	**113,481**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	5	355	2,147	1,208	5,920	97,757	1,860	108,892	4,229	113,481
Total	**5**	**355**	**2,147**	**1,208**	**5,920**	**97,757**	**1,860**	**108,892**	**4,229**	**113,481**
Annual Operating Budget Impact (000s)										
Total										

Aeration Tanks and Blower Rehabilitation

CSA	Environmental and Utility Services	**Initial Start Date**	1st Qtr. 2015
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	3rd Qtr. 2025
Location	Water Pollution Control Plant	**Revised Start Date**	2nd Qtr. 2015
Dept Owner	Environmental Services	**Revised End Date**	3rd Qtr. 2027
Council Districts	4	**Initial Project Budget**	$114,880,000
Appropriation	A7677	**FY Initiated**	2014-2015

Description This project rehabilitates the secondary and nitrification aeration tanks including structural, mechanical, electrical, and instrumentation upgrades. It also replaces the remaining existing coarse bubble diffusers with fine bubble diffusers; installs partition walls and reconfigures air piping to optimize process treatment capabilities; and repairs concrete and applies coatings. This is the first phase of a multi-phased project. Based on performance of the tanks and updated flows and loads data, there is potential for a second and third phase. This Phase I work will help inform the scope and budget of the potential future budget phase(s). This project also installs Variable Frequency Drives (VFDs), new motors, new Motor Control Centers (MCC), and new controls for the electric driven blowers in Building 40 and Tertiary Blower Building; decommissions the engine driven blowers in the Secondary Blower Building; and replaces the S11 switchgear.

Justification Due to the age and the aggressive and corrosive environment the aeration tanks operate in, extensive rehabilitation is required. Conversion to fine bubble diffusers will increase the oxygen transfer efficiency and decrease energy requirements. Installing VFDs will minimize the impact of starting current on the blowers when the Plant is run on emergency power. Lastly, the S11 switchgear and MCCs need to be upgraded to be compatible with the new VFDs.

Notes This project corresponds to Plant Master Plan Project Nos. 20, 24, and 85 and Validation Project PLS-01.

Major Cost Changes 2016-2020 CIP - Increase of $4.4 million due to escalation of construction costs.
2018-2022 CIP - Increase of $4.5 million due to a revised scope and cost estimate.
2019-2023 CIP - Increase of $26.5 million due to an updated construction cost estimate.
2020-2024 CIP - Decrease of $16.9 million due to updated construction estimate and lower than expected construction bids. 2023-2027 CIP - Decrease of $52.8 million due to revised scope and cost estimate to include only Phase I of this project. 2024-2028 CIP – Increase of $105.4 million due to revised scope and cost estimate for Aeration Basin Mods – Phase 1.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	6,350	1,212	5,904	245	15			6,164		13,726
Design	4,329		1,545	939	817			3,301		7,630
Bid & Award	273				4,734	1,625	322	6,681		6,954
Construction	38,796	4,663	1,356				106,479	107,835	3,070	154,364
Post Construction									671	671
Total	**49,748**	**5,875**	**8,805**	**1,184**	**5,566**	**1,625**	**106,801**	**123,981**	**3,741**	**183,345**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	49,748	5,875	8,805	1,184	5,566	1,625	106,801	123,981	3,741	183,345
Total	**49,748**	**5,875**	**8,805**	**1,184**	**5,566**	**1,625**	**106,801**	**123,981**	**3,741**	**183,345**
Annual Operating Budget Impact (000s)										
Total										

Digested Sludge Dewatering Facility

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2012
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2013
Location	Water Pollution Control Plant	**Revised Start Date**	3rd Qtr. 2014
Dept Owner	Environmental Services	**Revised End Date**	4th Qtr. 2025
Council Districts	4	**Initial Project Budget**	$1,000,000
Appropriation	A7452	**FY Initiated**	2012-2013

Description This project will construct a new mechanical dewatering facility and support systems to replace the existing sludge storage lagoons and open air solar drying beds. All new mechanical dewatering units, feed tank, storage, conveyance, and chemical dosing facilities will be housed in an odor-controlled building.

Justification This project responds to a recommendation in the adopted Plant Master Plan to consolidate the Plant's operational area by reducing the biosolids process footprint. It also provides greater flexibility in biosolids disposal options in anticipation of the potential Newby Island landfill closure in 2025, responds to stricter regulations for landfilling and alternative daily cover, and addresses odor, noise, and aesthetics concerns from the operations of the lagoons and sludge drying beds.

Notes This project corresponds to Plant Master Plan Project Nos. 44, 54, 57-60 and Validation Project PS-03. The estimated operating and maintenance impacts are due to chemical, labor, maintenance consumables (e.g. parts, oil), electrical, and hauling & tipping costs. Until the lagoons and drying beds can be fully retired, it is anticipated there will be several years with the new dewatering facility and existing lagoons and drying beds in concurrent operation.

Major Cost Changes 2014-2018 CIP - Increase of $325.0 million due to accelerated project start and compressed implementation schedule. 2015-2019 CIP - Decrease of $256.8 million due to creation of separate biosolids projects through project validation. 2016-2020 CIP - Increase of $1.6 million due to escalation of construction costs. 2017-2021 CIP - Increase of $28.1 milion due to increased scope and revised cost estimate. 2019-2023 CIP - Increase of $18.3 million due to an updated construction cost estimate. 2020-2024 CIP - Increase of $11.8 million due to an increase in scope and updated construction cost estimate. 2021-2025 CIP - Increase of $26.4 million due to an updated scope and construction cost estimate. 2022-2026 CIP - Increase of $13.0 million due to an updated scope and construction cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	5,446									5,446
Design	12,164	847								13,011
Bid & Award	1,409	173								1,582
Construction	9,323	140,570	4,929	2,317	554			7,800		157,693
Post Construction					239			239		239
Total	**28,342**	**141,589**	**4,929**	**2,317**	**793**			**8,039**		**177,971**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	28,342	141,589	4,929	2,317	793			8,039		177,971
Total	**28,342**	**141,589**	**4,929**	**2,317**	**793**			**8,039**		**177,971**

Annual Operating Budget Impact (000s)				
Operating	15,356	18,000	19,246	
Maintenance	**136**	**192**	**198**	
Total	**15,492**	**18,192**	**19,444**	

East Primary Rehabilitation, Seismic Retrofit, and Odor Control

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2009
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	4th Qtr. 2012
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	4th Qtr. 2031
Council Districts	4	**Initial Project Budget**	$3,605,000
Appropriation	A7226	**FY Initiated**	2010-2011

Description This project rehabilitates the existing primary clarifiers, including the coating of concrete and replacement of clarifier mechanisms with corrosion resistant materials. It also includes structural retrofits to allow new covers to be installed over a portion or all of the primary treatment area to contain odors. A new odor extraction and treatment system will also be constructed.

Justification This project restores the mechanical and structural integrity of the aging clarifiers and provides odor control measures.

Notes This project corresponds to Plant Master Plan Project Nos. 9, 10, and 11 and Validation Project PLP-02.

Major Cost Changes 2012-2016 CIP - Increase of $80.1 million; $16.6 million due to increase of scope to incorporate master planning recommendations for seismic upgrades and odor control measures; $63.5 million reflects the addition of the Beyond 5-Year expense not previously programmed.
2013-2017 CIP - Decrease of $1.7 million due to revised cost estimate.
2015-2019 CIP - Increase of $27.5 million due to revised project validation cost estimate.
2016-2020 CIP - Increase of $3.6 million due to escalation of construction costs.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	56	155	5,606					5,606		5,817
Design	30				5,386	1,389		6,775		6,805
Bid & Award			600	1,419				2,019		2,019
Construction							94,089	94,089	3,077	97,166
Post Construction							667	667	500	1,167
Total	**86**	**155**	**6,206**	**1,419**	**5,386**	**1,389**	**94,756**	**109,156**	**3,577**	**112,974**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	86	155	6,206	1,419	5,386	1,389	94,756	109,156	3,577	112,974
Total	**86**	**155**	**6,206**	**1,419**	**5,386**	**1,389**	**94,756**	**109,156**	**3,577**	**112,974**
Annual Operating Budget Impact (000s)										
Total										

Facility Wide Water Systems Improvements

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2014
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	1st Qtr. 2022
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	2nd Qtr. 2026
Council Districts	4	**Initial Project Budget**	$14,130,000
Appropriation	A7679	**FY Initiated**	2014-2015

Description This project rehabilitates, replaces, and/or extends the Plant's four water systems including piping, valves, pumps, controls, and other ancillary equipment. The scope of work will be based on hydraulic modeling and study of existing and future water demands at the Plant. The project may be constructed in phases based on the outcome of the study and priority of needs.

Justification The Plant's four water systems include potable water, groundwater, process/fire protection water, and recycled water. These were constructed over time with various Plant expansions and are in need of rehabilitation and upgrade due to age, condition, worker safety, plant reliability, and code compliance requirements. In addition, changes to water uses and demands have not all been addressed over time. An updated hydraulic model and assessment of current and future water demands will allow for the proper sizing of these systems to improve current and future performance and reduce risk of damage to pumping equipment.

Notes This project corresponds to Plant Master Plan Project No. 105 and Validation Project PF-06.

Major Cost Changes
2016-2020 CIP - Increase of $1.6 million due to escalation of construction costs.
2018-2022 CIP - Increase of $2.1 million due to revised project delivery cost estimate.
2022-2026 CIP - Increase of $38.6 million due to revised scope and delivery cost estimate.
2024-2028 CIP – Increase of $16.9 million due to an updated construction cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	3,113	71								3,184
Design	2,407	1,999								4,406
Bid & Award	6	188	24					24		218
Construction	305	0	64,355	1,622	856			66,833		67,138
Post Construction					407			407		407
Total	**5,831**	**2,259**	**64,379**	**1,622**	**1,263**			**67,264**		**75,353**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	5,831	2,259	64,379	1,622	1,263			67,264		75,353
Total	**5,831**	**2,259**	**64,379**	**1,622**	**1,263**			**67,264**		**75,353**
Annual Operating Budget Impact (000s)										
Total										

Filter Rehabilitation

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2011
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2013
Location	Water Pollution Control Plant	**Revised Start Date**	3rd Qtr. 2014
Dept Owner	Environmental Services	**Revised End Date**	2nd Qtr. 2024
Council Districts	4	**Initial Project Budget**	$3,506,000
Appropriation	A7227	**FY Initiated**	2010-2011

Description This project will replace filter media, valves, actuators, and electrical controls for all filters. It will also replace the existing surface wash system with a new air scour system, rehabilitate electrical switchgears and related motor control consoles, upgrade pipes, and make concrete repairs.

Justification The existing filter complex was constructed in the 1970s and requires significant refurbishment. The filter media, consisting of anthracite and sand, needs to be replaced and some of the mechanical and electrical components need to be upgraded. These critical improvements are needed to ensure continued regulatory compliance and operational reliability until a new filter complex is constructed.

Notes This project corresponds to Plant Master Plan Project Nos. 31, 32, and 33 as well as Validation Project PLF-01 and PLF-02.

Major Cost Changes
2014-2018 CIP - Decrease of $2.7 million due to the removal of scope that is dependent on the evaluation of the demonstration project.
2015-2019 CIP - Increase of $26.9 million due to revised scope and project validation cost estimate.
2016-2020 CIP - Increase of $6.5 million due to revised cost estimate and escalation of construction costs.
2017-2021 CIP - Increase of $2.5 million due to increased project scope.
2019-2023 CIP - Increase of $6.9 million due to a revised construction cost estimate.
2020-2024 CIP - Increase of $2.5 million due to a revised construction cost estimate.
2021-2025 CIP - Increase of $12.6 million due to a revised construction estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	2,047									2,047
Design	4,490									4,490
Bid & Award	592									592
Construction	13,064	36,494	2,844					2,844		52,403
Post Construction		221	363					363		584
Total	**20,193**	**36,715**	**3,207**					**3,207**		**60,115**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	20,193	36,715	3,207					3,207		60,115
Total	**20,193**	**36,715**	**3,207**					**3,207**		**60,115**
Annual Operating Budget Impact (000s)										
Total										

Final Effluent Pump Station & Stormwater Channel Improvements

CSA	Environmental and Utility Services
CSA Outcome	Reliable Utility Infrastructure
Location	Water Pollution Control Plant
Dept Owner	Environmental Services
Council Districts	4
Appropriation	A412H

Initial Start Date	3rd Qtr. 2019
Initial End Date	3rd Qtr. 2025
Revised Start Date	
Revised End Date	2nd Qtr. 2026
Initial Project Budget	$47,358,000
FY Initiated	2019-2020

Description This project designs and constructs a new pump station to hydraulically push the Plant's final treated effluent to Coyote Creek. Additionally, it will improve the existing stormwater channel by rehabilitating the flapper gates and embankments. The scope of this project is a two-phase approach, with the first phase including work related to the stormwater channel. Phase II will be developed at a future time.

Justification The U.S. Army Corps of Engineers (USACE) will be constructing a new shoreline levee and closure structure near the Plant's outfall channel to protect the region against future sea level rise from the San Francisco Bay. The USACE project will install a tide gate closure structure with two new flapper gates just north of the Plant's outfall bridge, which will inhibit the Plant's treated wastewater discharge into Coyote Creek (Phase I). A new final effluent pump station is required to lift the treated wastewater to the projected higher water surface elevations that will be held back by the new levee and tide gate in Coyote Creek (Phase II).

Notes This project corresponds to Validation Project PLD-03.

Major Cost Changes 2023-2027 CIP - Decrease of $29.5 million due to reduction in project scope to include only Phase I of this project.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	769	311	1,976					1,976		3,056
Design			2,152					2,152		2,152
Bid & Award				93				93		93
Construction				12,367	387			12,754		12,754
Post Construction					62			62		62
Total	**769**	**311**	**4,128**	**12,460**	**449**			**17,037**		**18,117**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	769	311	4,128	12,460	449			17,037		18,117
Total	**769**	**311**	**4,128**	**12,460**	**449**			**17,037**		**18,117**
Annual Operating Budget Impact (000s)										
Total										

Flood Protection

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2017
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2021
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	4th Qtr. 2025
Council Districts	4	**Initial Project Budget**	$9,136,000
Appropriation	A402M	**FY Initiated**	2017-2018

Description This project provides 100-year flood protection for the Plant by constructing engineered earthen berms on the northern and eastern sides of the Plant.

Justification The Plant is a critical facility located within a Federal Emergency Management Agency (FEMA) defined flood zone and will experience significant flooding during a 100-year flood event. Until the South Bay Shoreline Project is completed by the US Army Corps of Engineers, the Plant remains at risk of flooding. This project will provide immediate protection from a 100-year flood event.

Notes

Major Cost Changes
2020-2024 CIP - Increase of $2.3 million due to an updated construction cost estimate.
2021-2025 CIP - Decrease of $9.7 million due to additional flood risk analysis indicating a need to adjust the scope of the project.
2022-2026 CIP - Increase of $4.1 million due to updated scope and construction cost estimate.
2023-2027 CIP - Increase of $4.5 million due to revised cost estimate.
2024-2028 CIP – Increase of $5.0 million due to an updated cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	688	27	3,589					3,589		4,304
Design		874	2,021					2,021		2,895
Bid & Award		74	74	76				150		224
Construction				7,605				7,605		7,605
Post Construction				50	269			319		319
Total	**688**	**975**	**5,684**	**7,731**	**269**			**13,684**		**15,347**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	688	975	5,684	7,731	269			13,684		15,347
Total	**688**	**975**	**5,684**	**7,731**	**269**			**13,684**		**15,347**
Annual Operating Budget Impact (000s)										
Total										

Nitrification Clarifier Rehabilitation

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2009
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2024
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	2nd Qtr. 2028
Council Districts	4	**Initial Project Budget**	$26,701,000
Appropriation	A7074	**FY Initiated**	2009-2010

Description This project includes phased rehabilitation of the 16 nitrification clarifiers. Structural improvements may include concrete repairs and coating, new clarifier mechanisms and baffle installations, pipe support and meter vault replacements, and walkway improvements. Mechanical improvements may include piping, valve and actuator replacements, spray water system replacements, scum skimmer system upgrades, and return activated sludge piping lining. Electrical and instrumentation improvements may include motor control center replacements, new wiring, and other electrical equipment upgrades. Other incidental work may include grouting, painting, coating, and other surface treatments.

Justification The Plant's 16 nitrification clarifiers have been in service for 30 to 40 years depending on the year of construction. A condition assessment study, completed in 2011, recommended phased rehabilitation of the nitrification clarifiers. The improvements are needed to address structural, mechanical, electrical, and instrumentation deficiencies and will extend the useful life of the clarifier assets for an additional 30 years.

Notes This project corresponds to Plant Master Plan Project No. 21 and Validation Project PLS-02. This project is planned to be completed in multiple phases.

Major Cost Changes
2014-2018 CIP - Increase of $13.0 million due to revised estimate.
2015-2019 CIP - Increase of $22.0 million due to revised project validation cost estimate.
2016-2020 CIP - Decrease of $8.5 million due to revised scope and cost estimate.
2017-2021 CIP - Decrease of $1.6 million due to revised cost estimate.
2020-2024 CIP - Increase of $46.4 million due to an increase in the amount of rehabilitation required and updated construction cost estimate.
2022-2026 CIP - Decrease of $10.6 million due to revised scope and cost estimate.
2023-2027 CIP - Decrease of $9.7 million due to lower than projected construction costs.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	3,832									3,832
Design	2,276	488	1,207	137				1,344		4,108
Bid & Award	228		50	280				330		558
Construction	26,353	18,936	786	21,963	1,183	1,217	600	25,749		71,038
Post Construction		250	215	150			190	555		805
Total	**32,689**	**19,675**	**2,258**	**22,530**	**1,183**	**1,217**	**790**	**27,978**		**80,341**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	32,689	19,675	2,258	22,530	1,183	1,217	790	27,978		80,341
Total	**32,689**	**19,675**	**2,258**	**22,530**	**1,183**	**1,217**	**790**	**27,978**		**80,341**
Annual Operating Budget Impact (000s)										
Total										

Outfall Channel and Instrumentation Improvements

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2014
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2019
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	4th Qtr. 2023
Council Districts	4	**Initial Project Budget**	$8,120,000
Appropriation	A7678	**FY Initiated**	2014-2015

Description This project will repair erosion scour along the outfall channel weir structure, replace the weir board system, replace an electrical transformer, improve staff access around the sulfur dioxide building, install a new fiber optic system, and replace water quality instrumentation and flow meters.

Justification Discharging effluent has resulted in significant erosion of the outfall channel bed material adjacent to the weir structure, requiring replacement of the rock rip rap materials originally installed to protect the structure. In addition, several original materials, water quality instrumentation, and communications system used to ensure reliable outfall compliance have reached the end of their service life and need replacement.

Notes This project corresponds to Validation Project PLD-02.

Major Cost Changes
2016-2020 CIP - Increase of $1.7 million due to escalation of construction costs.
2018-2022 CIP - Decrease of $776,000 due to reduction of project scope.
2019-2023 CIP - Decrease of $764,000 due to revised cost estimates.
2022-2026 CIP - Increase of $1.5 million due to revised scope and cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	977	0								977
Design	1,226									1,226
Bid & Award	143									143
Construction	1,551	5,818	856					856		8,225
Post Construction			121					121		121
Total	**3,896**	**5,818**	**977**					**977**		**10,691**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	3,896	5,818	977					977		10,691
Total	**3,896**	**5,818**	**977**					**977**		**10,691**
Annual Operating Budget Impact (000s)										
Total										

Owner Controlled Insurance Program

CSA	Environmental and Utility Services	**Initial Start Date**	2nd Qtr. 2017
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2023
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	2nd Qtr. 2025
Council Districts	N/A	**Initial Project Budget**	$16,085,000
Appropriation	A401B	**FY Initiated**	2017-2018

Description This allocation provides funding for a centrally managed insurance and risk control program for construction projects in the Water Pollution Control CIP.

Justification This allocation is required to centrally manage insurance and risk control programs for construction projects in this capital program.

Notes

Major Cost Changes 2019-2023 CIP - Increase of $4.9 million due to revised insurance cost estimates.
2022-2026 CIP - Decrease of $2.3 million due to revised insurance cost estimates.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
General Administration	7,466	2,250	2,613	764				3,377		13,093
Construction	4,701									4,701
Total	**12,167**	**2,250**	**2,613**	**764**				**3,377**		**17,794**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	12,167	2,250	2,613	764				3,377		17,794
Total	**12,167**	**2,250**	**2,613**	**764**				**3,377**		**17,794**
Annual Operating Budget Impact (000s)										
Total										

Plantwide Security Systems Upgrade

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2021
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2022
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	4th Qtr. 2025
Council Districts	4	**Initial Project Budget**	$6,740,000
Appropriation	A426E	**FY Initiated**	2021-2022

Description This project will upgrade three critical security components at the Plant: 1. Construct a new main guard shack with monitoring, lighting, traffic circulation, and pavement improvements; 2. Install closed-circuit television cameras throughout the Plant and upgrade software, hardware, and equipment in the main server room; and 3. Install access card readers throughout the Plant and install new proximity card badging stations.

Justification The existing guard shack is antiquated and undersized. Existing entrance and exit lanes are inadequate for larger delivery trucks, which impedes traffic flow and causes delays. Installing wired and wireless cameras, along with an upgraded server room and new monitoring station will enhance security throughout the Plant, which is needed due to increased operational and construction activity. Installing access card readers will provide and improve security by replacing a mix of entry systems (e.g., cyberkey, traditional locks, card readers) with a single system.

Notes

Major Cost Changes 2023-2027 CIP - Increase of $7.2 million due to revised scope and cost estimate.
2024-2028 CIP – Increase of $9.9 million due to revised scope and cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	399	687	76					76		1,162
Design	3	1,107	1,174					1,174		2,284
Bid & Award			323					323		323
Construction	0	175	13,249	6,478				19,727		19,902
Post Construction				24	124			148		148
Total	**402**	**1,969**	**14,822**	**6,502**	**124**			**21,448**		**23,819**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	402	1,969	14,822	6,502	124			21,448		23,819
Total	**402**	**1,969**	**14,822**	**6,502**	**124**			**21,448**		**23,819**

Annual Operating Budget Impact (000s)

Total

Storm Drain System Improvements

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2017
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2021
Location	Water Pollution Control Plant	**Revised Start Date**	4th Qtr. 2017
Dept Owner	Environmental Services	**Revised End Date**	1st Qtr. 2024
Council Districts	4	**Initial Project Budget**	$10,195,000
Appropriation	A404V	**FY Initiated**	2017-2018

Description This project upgrades the existing Plant stormwater drainage system to meet current City standards. The project includes modifying existing drainage facilities and constructing new storm system facilities to meet the City's 10-year design standard. This project may also include improvements to the existing combined sanitary sewer system.

Justification The Plant's stormwater drainage facilities do not meet the City's 10-year storm event standard. Upgrades to the existing systems are needed to prevent stormwater flooding in and around the Plant's operational area.

Notes

Major Cost Changes
2019-2023 CIP - Increase of $3.7 million due to an escalation of construction costs.
2020-2024 CIP - Increase of $1.2 million due to revised condition assessment and construction management estimates.
2022-2026 CIP - Decrease of $1.7 million due to revised scope and cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	1,616									1,616
Design	719	137								856
Bid & Award	138									138
Construction	235	9,384	1,721					1,721		11,340
Post Construction	15	34	297					297		346
Total	**2,724**	**9,555**	**2,018**					**2,018**		**14,297**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	2,724	9,555	2,018					2,018		14,297
Total	**2,724**	**9,555**	**2,018**					**2,018**		**14,297**
Annual Operating Budget Impact (000s)										
Total										

Support Building Improvements

CSA	Environmental and Utility Services	**Initial Start Date**	1st Qtr. 2015
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	3rd Qtr. 2023
Location	Water Pollution Control Plant	**Revised Start Date**	2nd Qtr. 2015
Dept Owner	Environmental Services	**Revised End Date**	2nd Qtr. 2036
Council Districts	4	**Initial Project Budget**	$55,590,000
Appropriation	A7681	**FY Initiated**	2014-2015

Description This project constructs various tenant improvements to the administration, operations, engineering, and other support buildings located throughout the Plant. It may include floor, ceiling, wall, partition, plumbing, heating, ventilation and air conditioning upgrades, fire protection, and security improvements, as well as ancillary landscaping improvements. It also constructs new warehousing facilities and an electronic warehouse management system which may include new computers, a central database, barcode scanners, mobile tablets, and other technology improvements. This project will be constructed in phases based on a detailed tenant improvement study, warehouse design study, and priority of needs.

Justification Most of the buildings at the Plant are between 30 and 50 years old and are in need of refurbishment to improve worker health, safety, and environment. The tenant improvements are also needed to bring the buildings into compliance with current building and safety codes. The new warehousing facility and warehouse management system will improve operational efficiency through better control of the movement and storage of materials, including shipping, receiving, material stocking, use, and distribution.

Notes This project corresponds to Plant Master Plan Project Nos. 94, 95, 96, 98, 106, and 107 and Validation Project PF-02.

Major Cost Changes 2016-2020 CIP - Decrease of $856,000 due to revised cost estimate.
2018-2022 CIP - Increase of $2.2 million due to revised project delivery cost estimate.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
General Administration	0									0
Project Feasibility Development	2,079				667	686	495	1,848		3,927
Design	4,117	135	1				2,669	2,670	1,524	8,446
Bid & Award	157	297	164					164	493	1,111
Construction	72	4,494	19,009	377				19,386	17,071	41,023
Post Construction		80	95	204				299	1,141	1,520
Equipment, Materials and Supplies	346									346
Total	**6,771**	**5,006**	**19,269**	**581**	**667**	**686**	**3,164**	**24,367**	**20,229**	**56,373**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	6,771	5,006	19,269	581	667	686	3,164	24,367	20,229	56,373
Total	**6,771**	**5,006**	**19,269**	**581**	**667**	**686**	**3,164**	**24,367**	**20,229**	**56,373**
Annual Operating Budget Impact (000s)										
Total										

Various Infrastructure Decommissioning

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2018
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	2nd Qtr. 2022
Location	Water Pollution Control Plant	**Revised Start Date**	2nd Qtr. 2022
Dept Owner	Environmental Services	**Revised End Date**	3rd Qtr. 2026
Council Districts	4	**Initial Project Budget**	$22,220,000
Appropriation	A410S	**FY Initiated**	2018-2019

Description This project will decommission and remove equipment, structures, and piping located in Building 40, Pump and Engine Building, Sludge Control Building, digester campus, and tunnels.

Justification The decommissioning and removal of obsolete and abandoned equipment, structures, and piping will free up valuable space for future equipment or systems and improves operational and maintenance efficiencies of existing systems. The majority of the infrastructure and equipment at the Plant is more than 60 years old. It is best practice to remove obsolete facilities and equipment to avoid ongoing maintenance, comply with permit requirements, and to free up space for new equipment.

Notes

Major Cost Changes

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	9	24	435					435		468
Design				2,560				2,560		2,560
Bid & Award				30				30		30
Construction					18,470	628		19,098		19,098
Post Construction						63		63		63
Total	**9**	**24**	**435**	**2,590**	**18,470**	**691**		**22,186**		**22,219**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	9	24	435	2,590	18,470	691		22,186		22,219
Total	**9**	**24**	**435**	**2,590**	**18,470**	**691**		**22,186**		**22,219**
Annual Operating Budget Impact (000s)										
Total										

Yard Piping and Road Improvements

CSA	Environmental and Utility Services	**Initial Start Date**	3rd Qtr. 2011
CSA Outcome	Reliable Utility Infrastructure	**Initial End Date**	4th Qtr. 2026
Location	Water Pollution Control Plant	**Revised Start Date**	
Dept Owner	Environmental Services	**Revised End Date**	2nd Qtr. 2028
Council Districts	4	**Initial Project Budget**	N/A
Appropriation	A7396	**FY Initiated**	2011-2012

Description This project rehabilitates and/or replaces process piping systems, valves, and related appurtenances throughout the Plant. The work will be completed in phases based on the outcome of a detailed condition assessment, physical testing, and prioritization of needs. This project will make roadway and drainage-related improvements throughout the Plant's main operations and residual management areas. This project will also address flood risks for identified junction structures, screening structures, and pump stations.

Justification The Plant has approximately 300,000 linear feet of piping along with associated valves and related appurtenances. The pipes range in diameter from 8 inches to 144 inches and carry gas, liquids, sludge, air, steam, and other process streams to and from the various treatment areas. The pipes vary in age, material, condition, reliability, and redundancy. Over 70 percent of the piping was installed more than 25 years ago and is in need of rehabilitation or replacement due to age, failure, and/or excessive maintenance. The Plant also has an extensive roadway network, nearly 40,000 linear feet of paved surfaces, that needs rehabilitation and/or replacement due to excessive wear, heavy vehicle traffic, and drainage issues.

Notes This project corresponds to Plant Master Plan Project Nos. 98 and 100 and Validation Project PF-04. Prior to 2018-2022, this project was ongoing in nature; it has since become a finite project.

Major Cost Changes
2019-2023 CIP - Decrease of $14.3 million due to a decrease in project scope and a 78" SES pipe that will be replaced in the Digester and Thickener Facilities Upgrade project.
2022-2026 CIP - Decrease of $11.8 million due to a decrease in project scope and construction cost estimates.
2023-2027 CIP - Decrease of $39.8 million due to reduction in project scope based on updated condition assessment information that determined that certain pipe segments were in better than expected condition, so anticipated repairs weren't needed.

	PRIOR YEARS	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Project Feasibility Development	5,673	2,916	1,178	735				1,913		10,501
Design	1,815	2,041	1,228	122	1,106			2,456		6,312
Bid & Award	512	311	30	171	92	120		413		1,236
Construction	10,011	18,229	1,941	11,579	690	10,788	413	25,411		53,651
Post Construction	158	2		71	64	30	62	227		387
Total	**18,169**	**23,498**	**4,377**	**12,678**	**1,952**	**10,938**	**475**	**30,420**		**72,087**
Funding Source Schedule (000s)										
San José-Santa Clara Treatment Plant Capital Fund (512)	18,169	23,498	4,377	12,678	1,952	10,938	475	30,420		72,087
Total	**18,169**	**23,498**	**4,377**	**12,678**	**1,952**	**10,938**	**475**	**30,420**		**72,087**
Annual Operating Budget Impact (000s)										
Total										

Debt Service Repayment for Plant Capital Improvement Projects

CSA Outcome	Reliable Utility Infrastructure	**Council Districts**	N/A
Department Owner	Environmental Services	**Appropriation**	A402C

Description This allocation provides for the repayment of financing proceeds, including short-term wastewater revenue notes, drawn for the Plant Capital Improvement Projects.

	FY23 Budget	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 Year Total
Expenditure Schedule (000s)								
General Administration	315,338	315,338		2,115	4,354	6,245	6,246	18,960
Total	**315,338**	**315,338**		**2,115**	**4,354**	**6,245**	**6,246**	**18,960**
Funding Source Schedule (000s)								
San José-Santa Clara Treatment Plant Capital Fund (512)	315,338	315,338		2,115	4,354	6,245	6,246	18,960
Total	**315,338**	**315,338**		**2,115**	**4,354**	**6,245**	**6,246**	**18,960**

Hydraulic Capacity Engineering

CSA Outcome	Safe, Reliable, and Sufficient Water Supply; Reliable Utility Infrastructure	**Council Districts**	4
Department Owner	Environmental Services	**Appropriation**	A411B

Description This allocation funds the expansion of the South Bay Water Recycling (SBWR) system through the construction of pipeline and ancillary distribution system projects. Use of these funds will be dedicated towards the design, engineering, and inspection for the connection of new developments to the recycled water utility system. SBWR's hydraulic capacity engineering is limited to extensions that are justified by projected water revenues, grant funding, or funds from developers or other government agencies (e.g. Valley Water). No revenue from Plant Tributary Agencies or City Sanitary Sewer rate payers will be used to fund this project.

	FY23 Budget	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 Year Total
Expenditure Schedule (000s)								
Construction	25	25	25	25	25	25	25	125
Total	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**125**
Funding Source Schedule (000s)								
South Bay Water Recycling Capital Fund (571)	25	25	25	25	25	25	25	125
Total	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**125**

Plant Infrastructure Improvements

CSA Outcome	Reliable Utility Infrastructure	**Council Districts**	4
Department Owner	Environmental Services	**Appropriation**	A5690

Description This allocation provides for improvements, rehabilitation, or replacement of existing Plant infrastructure. Examples of the ongoing replacement and rehabilitation work include handrail replacement, concrete repairs, telecommunication systems upgrade, and Plant support system improvements.

	FY23 Budget	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 Year Total
Expenditure Schedule (000s)								
Design		559						
Construction	5,785	1,262	6,003	2,056	1,000	1,000	1,000	11,059
Total	**5,785**	**1,821**	**6,003**	**2,056**	**1,000**	**1,000**	**1,000**	**11,059**
Funding Source Schedule (000s)								
San José-Santa Clara Treatment Plant Capital Fund (512)	5,785	1,821	6,003	2,056	1,000	1,000	1,000	11,059
Total	**5,785**	**1,821**	**6,003**	**2,056**	**1,000**	**1,000**	**1,000**	**11,059**

Preliminary Engineering - Water Pollution Control

CSA Outcome	Reliable Utility Infrastructure	**Council Districts**	4
Department Owner	Environmental Services	**Appropriation**	A7456

Description This allocation provides funding to support preliminary engineering for Plant-related projects, including studies, pilots, and field verifications to evaluate impacts on operations.

	FY23 Budget	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 Year Total
Expenditure Schedule (000s)								
Project Feasibility Development	4,505	4,505	2,000	1,000	1,000	1,000	1,000	6,000
Total	**4,505**	**4,505**	**2,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**
Funding Source Schedule (000s)								
San José-Santa Clara Treatment Plant Capital Fund (512)	4,505	4,505	2,000	1,000	1,000	1,000	1,000	6,000
Total	**4,505**	**4,505**	**2,000**	**1,000**	**1,000**	**1,000**	**1,000**	**6,000**

Program Management - Water Pollution Control

CSA Outcome	Reliable Utility Infrastructure	**Council Districts**	4
Department Owner	Environmental Services	**Appropriation**	A7481

Description This allocation funds the administration and management of the Water Pollution Control CIP.

	FY23 Budget	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 Year Total
Expenditure Schedule (000s)								
General Administration	15,156	14,371	10,845	10,311	10,253	6,801	6,289	44,499
Total	**15,156**	**14,371**	**10,845**	**10,311**	**10,253**	**6,801**	**6,289**	**44,499**
Funding Source Schedule (000s)								
San José-Santa Clara Treatment Plant Capital Fund (512)	15,156	14,371	10,845	10,311	10,253	6,801	6,289	44,499
Total	**15,156**	**14,371**	**10,845**	**10,311**	**10,253**	**6,801**	**6,289**	**44,499**

RWF Bond Debt Service 2022A

CSA Outcome	Reliable Utility Infrastructure	**Council Districts**	N/A
Department Owner	Environmental Services	**Appropriation**	A434P

Description This allocation provides for the repayment of the revenue bonds issued in December 2022 for the San José-Santa Clara Treatment Plant Capital Fund.

	FY23 Budget	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 Year Total
Expenditure Schedule (000s)								
General Administration			17,577	17,600	17,600	17,600	17,600	87,977
Total			**17,577**	**17,600**	**17,600**	**17,600**	**17,600**	**87,977**
Funding Source Schedule (000s)								
San José-Santa Clara Treatment Plant Capital Fund (512)			17,577	17,600	17,600	17,600	17,600	87,977
Total			**17,577**	**17,600**	**17,600**	**17,600**	**17,600**	**87,977**

Urgent and Unscheduled Treatment Plant Rehabilitation

CSA Outcome	Reliable Utility Infrastructure	**Council Districts**	4
Department Owner	Environmental Services	**Appropriation**	A7395

Description This ongoing allocation is used to investigate, prioritize, and rehabilitate structures and systems at the Water Pollution Control Plant. This funding will be used to respond to the Plant's urgent maintenance and rehabilitation needs that cannot be programmed during the annual CIP budget process.

	FY23 Budget	FY23 EST	FY24	FY25	FY26	FY27	FY28	5 Year Total
Expenditure Schedule (000s)								
Construction	1,500	1,500	1,500	1,500	1,500	1,500	1,500	7,500
Total	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**7,500**
Funding Source Schedule (000s)								
San José-Santa Clara Treatment Plant Capital Fund (512)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	7,500
Total	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**7,500**

Water Pollution Control
2024-2028 Adopted Capital Improvement Program
Summary of Projects that Start After 2023-2024

Project Name	FOG Receiving	**Initial Start Date**	1st Qtr. 2023
5-Yr CIP Budget	$ 313,000	**Initial End Date**	3rd Qtr. 2029
Total Budget	$ 12,850,000	**Revised Start Date**	3rd Qtr. 2027
Council Districts	4	**Revised End Date**	3rd Qtr. 2033

Description This project constructs a new FOG (Fats, Oils, Grease) receiving station, including storage tanks, access control, feed piping from the receiving station to the first phase anaerobic digesters, odor control, and a 1/4-mile of access road improvements.

Project Name	New Disinfection Facilities	**Initial Start Date**	3rd Qtr. 2020
5-Yr CIP Budget	$ 7,853,000	**Initial End Date**	2nd Qtr. 2029
Total Budget	$ 56,977,000	**Revised Start Date**	3rd Qtr. 2025
Council Districts	4	**Revised End Date**	4th Qtr. 2033

Description This project constructs a new disinfection facility (currently assumed to be based on ultraviolet (UV) technology) to replace the existing sodium hypochlorite disinfection facility. It may also expand the existing chlorine contact basins to accommodate future peak hour wet weather flows and construct a new on-site hypochlorite generation facility. This project would only be triggered if new regulations concerning emerging contaminants are issued by the Regional Water Board within the next two to three NPDES permit cycles, and additional studies confirm future flow projections.

Project Name	Secondary Clarifier Rehabilitation	**Initial Start Date**	1st Qtr. 2017
5-Yr CIP Budget	$ 25,936,000	**Initial End Date**	2nd Qtr. 2024
Total Budget	$ 26,455,000	**Revised Start Date**	3rd Qtr. 2024
Council Districts	4	**Revised End Date**	2nd Qtr. 2030

Description The Plant has 26 secondary clarifiers configured with peripheral mix liquor feed channel, and either central or peripheral launders. The first phase of this project rehabilitates one secondary (BNR1) clarifier and retrofits it to receive a new baffle configuration based on computational fluid dynamic (CFD) modeling results. The new configuration is expected to improve clarifier performance and efficiency. The subsequent phases of the project will rehabilitate and convert the remaining 25 clarifiers based on the results of the first phase. Rehabilitation will include structural, mechanical, electrical, and instrumentation improvements.

Project Name	Tunnel Rehabilitation	**Initial Start Date**	2nd Qtr. 2015
5-Yr CIP Budget	$ 3,199,000	**Initial End Date**	4th Qtr. 2024
Total Budget	$ 27,638,292	**Revised Start Date**	3rd Qtr. 2025
Council Districts	4	**Revised End Date**	3rd Qtr. 2037

Description This project will rehabilitate and make safety improvements to the tunnel system throughout the Plant. The work may include structural, mechanical, electrical, ventilation, fire safety, and coating improvements and will be completed in phases based on a detailed condition assessment, physical testing, and prioritization of needs.

Water Pollution Control
2024-2028 Adopted Capital Improvement Program
Summary of Reserves

Project Name	Hydraulic Capacity Enhancements Reserve
5-Yr CIP Budget	$ 3,666,000
Total Budget	$ 3,666,000
Council Districts	4
Description	This reserve sets aside funding for future design, engineering, and inspection for the connection of new developments to the recycled water utility system. This reserve is fully funded by the South Bay Water Recycling Capital Fund; no revenue from Plant Tributary Agencies or City Sanitary Sewer rate payers has been used for the allocation of this reserve.

Water Pollution Control
2024-2028 Adopted Capital Improvement Program
Summary of Projects with Close-Out Costs Only in 2023-2024

Project Name	Advanced Facility Control and Meter Replacement	**Initial Start Date**	3rd Qtr. 2010
5-Yr CIP Budget	$ 150,000	**Initial End Date**	2nd Qtr. 2014
Total Budget	$ 28,809,710	**Revised Start Date**	
Council Districts	4	**Revised End Date**	2nd Qtr. 2024

Description This project develops and executes a Plantwide automation master plan; replaces existing flow meters and actuators; and upgrades sensors, controls, and monitoring equipment throughout the Plant.

Project Name	Headworks Improvements	**Initial Start Date**	3rd Qtr. 2012
5-Yr CIP Budget	$ 481,000	**Initial End Date**	2nd Qtr. 2015
Total Budget	$ 22,228,734	**Revised Start Date**	1st Qtr. 2013
Council Districts	4	**Revised End Date**	4th Qtr. 2023

Description This project will modify Headworks No. 2 (HW2) to accommodate all dry weather flow. Improvements include re-routing some inlet and recycle flow piping, new storm water pump stations, and other mechanical enhancements to improve reliability and operation performance.

Project Name	New Headworks	**Initial Start Date**	3rd Qtr. 2012
5-Yr CIP Budget	$ 1,880,000	**Initial End Date**	2nd Qtr. 2013
Total Budget	$ 152,137,881	**Revised Start Date**	
Council Districts	4	**Revised End Date**	4th Qtr. 2023

Description This project will construct a new headworks to serve as the Plant's duty headworks. It also involves lining the emergency overflow basin and installing spraydown systems to facilitate cleaning. The project will also be tasked with odor control over select areas, such as junction boxes and grit collection. This project will need to be coordinated with the modifications made to the Headworks 2 hydraulics and the eventual decommissioning of Headworks 1.

EXPLANATION OF FUNDS

Revenues and expenditures for the operation and maintenance of the San José-Santa Clara Regional Wastewater Facility (RWF) are accounted for by the City of San José, as the administering agency, through the San José-Santa Clara Treatment Plant Operating Fund (Operating Fund) and the San José-Santa Clara Treatment Plant Capital Fund (Capital Fund).

Revenues from the City of Santa Clara and tributary agencies of the RWF are recorded directly into the Operating and Capital Funds. The tributary agencies include the City of Milpitas, City of Cupertino, Burbank Sanitary District, County Sanitation District No. 2-3, and West Valley Sanitation District.

Tributary agencies are assessed for their share of annual operation, maintenance, equipment, and facilities replacement and capital costs, based on their respective flow and strength of sewage conveyed to the RWF.

The Sewer Service and Use Charge Fund was established in the San José Municipal Code Section 15.12.640 in August 1959. This fund is the depository of revenues from Sewer Service and Use Charges received from residential, commercial, and industrial users of the sanitary sewer system within San José. A portion of these monies are transferred to the Operating and Capital Funds to pay for the City of San José's share of operating and capital costs of the RWF.

The Capital Fund provides all monies used for capital projects. In addition, debt service payments for the City of San Jose’s Sewer Revenue Bonds, issued under the San José Financing Authority are made from this fund.

Revenues and expenditures for the operation and maintenance of the South Bay Water Recycling system are accounted for by the South Bay Water Recycling Operating Fund. Wholesale revenues from recycled water retailers are recorded directly into the Operating fund. The South Bay Water Recycling (SBWR) Capital Fund provides monies for capital improvement projects in support of SBWR system infrastructure and capacity improvements. These funds may be supplemented by South Bay Water Recycling Operating funds to support the capital needs of the recycled water system. Annual payment and reimbursement obligations can require the transfer of funding from the South Bay Recycled Water Operating Fund to the Sewer Service and Use Charge Fund via the San José-Santa Clara Treatment Plant Operating Fund.