



TREATMENT PLANT ADVISORY COMMITTEE
2024-2025 Proposed Operating & Maintenance Budget
and
2025-2029 Proposed Capital Improvement Program

May 23, 2024



San José-
Santa Clara
Regional
Wastewater
Facility

2024-2025 Proposed Operating Budget

2024-2025 Proposed Budget: \$158M

	FY 23-24 Adopted	FY 24-25 Proposed	Percent Change
Operating Fund Budget	\$141,279,973	\$157,844,598	11.7%
Authorized Positions	381.55	381.36	(.05%)

2024-2025 Estimated Cost Distribution

2024-2025 Estimated Cost Distribution

ESTIMATED COST DISTRIBUTION			
2024-2025 Estimated Total Gallons Treated (MG)	(1) Percent of Total Sewage Treated	City / District	2024-2025 Proposed
25,080.679	63.14	City of San Jose	\$99,663,079
4,828.860	15.643	City of Santa Clara	\$24,691,630
29,909.539	78.783	Sub-Total	\$124,354,709
3,395.735	9.093	West Valley Sanitation District	\$14,352,809
1,845.372	5.186	Cupertino Sanitary District	\$8,185,821
2,115.300	5.745	City of Milpitas	\$9,068,172
353.806	0.962	Sanitation District # 2 - 3	\$1,518,465
85.209	0.231	Burbank Sanitary District	\$364,621
7,795.422	21.217	Sub-Total	\$33,489,889
37,704.961	100.0	TOTAL	\$157,844,598

(1) Composite of four parameters (flow, BOD, SS, ammonia). Source: 2024-2025 Revenue Program.

* Estimated discharges based upon data submitted by agencies and have not been validated

2024-2025 Proposed Operating Budget Actions

2024-2025 Budget Actions

- Chemical cost increases
- Transition to mechanical dewatering
- Regional Wastewater Facility master plan update
- Minimal staffing additions
- SBWR operational improvements and condition assessment

FY 23-24 Wastewater O&M Highlights

- Completed Critical Maintenance Projects – valve replacements, motors, gear boxes, instrumentations, major maintenance for cogen
- Third year operating Cogen Facility – 82% Energy needs fulfilled
- Completed DCS upgrade – 10 years, 100% of Facility updated (HPC800 Controller)
- Emergency Diesel Power Preparedness (made possible by the completion of the blower improvement project)
- Increased focused recruitment to fill vacant positions
- Supported CIP by coordinating over 220 PSRs and 15 PERs
- Provided coordination and advocacy with the San Francisco Bay RWCB on the upcoming 2024 Watershed Permit

2025-2029 Proposed CIP



2025-2029 Proposed CIP: \$900 million^{1,2}

2025-2029 Estimated CIP Cost Allocation

City/District	5-Year CIP Cost Allocation
San Jose	\$366,915,636
Santa Clara	\$90,142,879
West Valley SD	\$34,632,934
Cupertino SD	\$22,107,690
Milpitas	\$38,342,399
CSD 2 and 3	\$2,800,353
Burbank SD	\$1,167,910
Total	\$556,109,801

1. Fund 512 only
2. The 25-29 Proposed CIP includes \$330m for San José only debt service and repayment, and \$14m of Ending Fund Balance

2025-2029 Proposed CIP: \$900 million*

- \$507 million for construction
 - Liquids: \$289 million, 6 projects
 - Biosolids: \$129 million, 2 projects
 - Facilities: \$82 million, 11 projects
 - Other: \$7 million
- \$49 million for non-construction
- \$330 million in San José only debt service
- \$14 million in ending fund balance

* Fund 512 only

Guiding Principles / Budget Strategies

Program-level Approach

- Strive to provide predictability for five-year CIP
- Use project prioritization matrix to guide decisions
- Defer less critical projects, if needed
- Use program cost estimating guidelines

Project-level Approach

- Use phased construction awards and add alternates, if needed, to keep within fiscal year budget
- Conduct value engineering and scope prioritization

Major Changes between 2024-28 and 2025-29

- Adopted: \$816 million vs. Proposed: \$904 million
 - \$88 million net increase
- Facility-wide Water Systems Improvements
- Various Infrastructure Decommissioning

Program Successes

- Construction continues despite challenges with supply chain and equipment lead times
- Operating 24/7 with no Permit Violations
- 37 Capital Projects initiated
- 23 Capital Projects completed
- 75% of projects completed on time and within budget
- Over 280,000 construction man hours
- Ongoing protection of lower South Bay

Questions?

