

**MINUTES OF THE
SAN JOSE/SANTA CLARA
TREATMENT PLANT ADVISORY COMMITTEE**
City Hall, City Manager's Office, 17th Floor, Room 1734
Thursday, March 13, 2014 at 4:30 p.m.

1. **ROLL CALL**

Minutes of the Treatment Plant Advisory Committee convened this date at 4:38 p.m. Roll call was then taken, with the following members in attendance:

Committee members: Committee Chair Chuck Reed, Kansen Chu, Jose Esteves, John Gatto, Nanci Klein, Patricia Mahan, Jamie Matthews, Madison Nguyen, Chuck Page

Absent: Committee member Pat Kolstad and Jennifer Maguire

2. **APPROVAL OF MINUTES**

- A. February 13, 2014
Item 2.A was approved.

3. **UNFINISHED BUSINESS/REQUEST FOR DEFERRALS**

4. **DIRECTORS REPORT**

- A. Directors Verbal Report:

Kerrie Romanow, Director, Environmental Services stated staff had provided preliminary proposed budget information to all agencies and reviewed, discussed and answered questions at the Technical Advisory Committee (TAC) on Monday, March 10, 2014. Staff also sent an Information Memorandum, dated March 11, 2014, to TPAC which provided information on past and future budget and funding discussions with TAC and TPAC. Kerrie Romanow highlighted information from the memo, related to prior feedback received from the agencies:

1. An interest in pursuing external financing to the maximum extent possible to mitigate impact on rate payers
2. Developing a long term funding strategy that includes a predictable base level of cash funded capital investments and allows time for agencies to catch up on revenue collection
3. Identify and incorporate operations and maintenance costs with large capital projects and forecast other similar trends
4. Review methodology for allocating capital cost to agencies and evaluating potential for any future changes

Additionally, staff would like to schedule a second TPAC study session for April 17, from 2:30 pm to 4:00 pm, to discuss this topic in more detail before the May 15

TPAC meeting. Staff will be seeking the Committee's recommendation on the proposed budget at the May 15 meeting.

The Biosolids study session is confirmed for April 10, 2014 and will be held in the Wing Committee Rooms from 2:30 pm to 4:30 pm. The regularly scheduled TPAC meeting will begin at 4:30 pm as usual but will also be held in the Wing Committee rooms on that day. The study session will be televised.

The Silicon Valley Advanced Water Purification Facility has begun testing and staff is optimistic that the system will be fully operational by the end of the month.

5. **AGREEMENTS/ACTION ITEMS**

A. Gasification Demonstration Agreement with Zero Waste Energy

Staff Recommendation:

1. Negotiate and execute a right of entry agreement with JUM Global, LLC and Zero Waste Energy, LLC to construct and operate a small scale demonstration unit that will test gasification of local biosolids and wood waste from the residential yard trimmings collection program at the San José-Santa Clara Regional Wastewater Facility for a term beginning April 1, 2014, through June 30, 2015, at a cost not to exceed \$1,586,688.67.
2. Execute an amendment to the Grant Agreement between the City and the California Energy Commission to change the technology provider from Harvest Power, Inc. to JUM Global, LLC and Zero Waste Energy, LLC.
3. Adopt the following 2013-2014 Appropriation Ordinance Amendments in the Integrated Waste Management Fund:
 - a) Decrease the Operations & Maintenance Reserve appropriation in the amount of \$1,600,000;
 - b) Increase the appropriation to the Environmental Services Department: California Energy Commission Grant: Biomass to Energy Technology Project, in the amount of \$1,600,000.

The Gasification Demonstration Agreement with Zero Waste Energy is scheduled for Council consideration on March 18, 2014.

Motion by Committee Member Matthews, second by Committee Member Mahan to approve item 5.A. Item 5.A. was approved unanimously.

B. Master Agreements for Environmental Consulting Services

Staff Recommendation:

1. Cornerstone Earth Group from the date of execution through December 31, 2016 in an amount not to exceed \$350,000;
2. URS Corporation from the date of execution through December 31, 2016 in an amount not to exceed \$350,000;
3. Haley & Aldrich from the date of execution through December 31, 2016 in an amount not to exceed \$250,000; and
4. Environmental Resource Management, Inc. from the date of execution through December 31, 2016 in an amount not to exceed \$250,000.

The Master Agreements for Environmental Consulting Services is scheduled for Council consideration on March 18, 2014.

Motion by Committee Member Mahan, second by Committee Member Matthews to approve item 5.B. Item 5.B. was approved unanimously.

6. OTHER BUSINESS/CORRESPONDENCE

- A. Memo from Mayor Reed, Vice Mayor Nguyen, and Councilmembers Herrera and Chu
Subject: McCarthy Ranch Property Development Restrictions
- B. Memo from Richard Doyle, City Attorney
Subject: McCarty Ranch Property Development Restrictions

7. STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC

- A. Master Agreement for O&M Engineering Service for Facility
 1. Approval of consultant Master Service Agreement with HydroScience Engineers, Incorporated for engineering support and services for the San José/Santa Clara Regional Wastewater Facility for various Operation and Maintenance (O&M) projects requiring engineering support and services on as needed basis for a period of one year from the date of execution for an amount not to exceed \$500,000, and up to three one-year options.
 2. Adoption of a resolution authorizing the City Manager to exercise up to three one-year options to extend the term of the agreement for an amount not to exceed \$500,000 for each option term, and a total amount not to exceed \$2,000,000 for the initial term and all options, subject to the annual appropriation of funds.

The Master Agreement for O&M Engineering Service for Facility was approved by Council on February 25, 2014.

B. Regional Wastewater Facility Program Start Up and Validation Efforts

Accept this report on the progress of the Program Management start-up and validation efforts of the San José-Santa Clara Regional Wastewater Facility CIP Program.

The Regional Wastewater Facility Program Start Up and Validation Efforts was approved by Council on February 25, 2014.

Items 7 A and B were approved to note and file.

8. REPORTS

A. Open Purchase Orders Greater Than \$100,000 (including Service Orders)

The attached monthly Procurement and Contract Activity Report summarizes the purchase and contracting of goods with an estimated value between \$100,000 and \$1.08 million and of services between \$100,000 and \$270,000.

Item 8.A was approved to note and file.

9. MISCELLANEOUS

- A. The Special TPAC Study Session on Biosolids will be held on April 10, 2014, from 2:30 p.m. to 4:30 p.m. City Hall, Wing Committee Rooms 118/119/120
- B. The next TPAC meeting is April 10, 2014, at 4:30 p.m. City Hall, Wing Committee Rooms 118/119/120.

10. PUBLIC COMMENT

None

11. ADJOURNMENT

- A. The Treatment Plant Advisory Committee adjourned at 4:50 p.m.



Chuck Reed, Chair
Treatment Plant Advisory Committee