

## SAN JOSÉ/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE

CHUCK REED, CHAIR  
JOSE ESTEVES, MEMBER  
PAT KOLSTAD, MEMBER  
JAMIE MATTHEWS, MEMBER  
MADISON NGUYEN, MEMBER

CHUCK PAGE, MEMBER  
JOHN GATTO, MEMBER  
JENNIFER MAGUIRE, MEMBER  
KANSEN CHU, MEMBER

### AGENDA/TPAC

4:30 p.m.

June 12, 2014

Room 1734

1. **ROLL CALL**
2. **APPROVAL OF MINUTES**
  - A. May 15, 2014
3. **UNFINISHED BUSINESS/REQUEST FOR DEFERRALS**
4. **DIRECTOR'S REPORT** (verbal)
  - A. **Directors Verbal Report**
    - Monthly Progress Report
5. **AGREEMENTS/ACTION ITEMS**
  - A. **Report on Bids and Award of Contract for the 7474 – RWF Street Treatment Phase III**

Staff Recommendation:

    - a. Award the construction contract for the 7474 – RWF Street Treatment Phase III project at the San Jose-Santa Clara Regional Wastewater Facility to the lowest bidder, O'Grady Paving, Inc., in the amount of \$388,859.
    - b. Approve a 10% contingency in the amount of \$39,000.

**The Report on Bids and Award of Contract for the 7474 – RWF Street Treatment Phase III is scheduled for Council consideration on June 17, 2014.**
  - B. **Report on Bids and Award of Contract for the 6833 – Filtration Building B2 and B3 Pipe and Valve Replacement**

Staff Recommendation:

- 1) Award of a construction contract for the Filtration Building B2 and B3 Pipe and Valve Replacement to the low bidder, Anderson Pacific Engineering Construction Inc., in the amount of \$158,900.
- 2) Approve a contingency in the amount of \$31,780.

**The Report on Bids and Award of Contract for the 6833 – Filtration Building B2 and B3 Pipe and Valve Replacement is scheduled for Council consideration on June 17, 2014.**

C. Report on Bids and Award of Contract for 7394 – Emergency Diesel Generator Package 2A Project

Staff Recommendation: Report on bids and award of a construction contract for 7394 – Emergency Diesel Generator Package 2A Project to the lowest responsive bidder, Anderson Pacific Engineering Construction, Inc., for the base bid in the amount of \$15,310,000, and approval of a ten percent contingency in the amount of \$1,531,000

**The Report on Bids and Award of Contract for 7394 – Emergency Diesel Generator Package 2A Project is scheduled for Council consideration on June 17, 2014.**

D. San Jose-Santa Clara Regional Wastewater Facility Technical Training Program Update

Staff Recommendation: Accept this status report on the development of a technical training program at the San Jose-Santa Clara Regional Wastewater Facility.

**The San Jose-Santa Clara Regional Wastewater Facility Technical Training Program Update is scheduled for Council consideration on August 5, 2014.**

E. Progress Report on Burrowing Owl Habitat Improvements at the Regional Wastewater Facility

Staff Recommendation: Accept this progress report highlighting habitat improvement activities for the Western Burrowing Owl on San Jose-Santa Clara Regional Wastewater Facility bufferlands that began in 2012.

**The Progress Report on Burrowing Owl Habitat Improvements at the Regional Wastewater Facility is scheduled for Council consideration on August 5, 2014**

F. Status Report on the Sanitary Sewer Flow Study

Staff Recommendation: Accept this status report on the Sanitary Sewer Flow Study.

**The Status Report on the Sanitary Sewer Flow Study is scheduled for consideration on August 5, 2014.**

G. Status Report on Agreement with Telstar to Provide Temporary Staffing at the San Jose/Santa Clara Regional Wastewater Facility

Staff Recommendation: Adopt a resolution to authorize the City Manager to exercise the second one-year option to extend the Agreement for August 17, 2014, through August 16, 2015 for a maximum compensation not to exceed \$998,000, and for the authority to exercise the two remaining one-year options to extend the Agreement through August 16, 2017, subject to the appropriation of funds.

**The Status Report on Agreement with Telstar to Provide Temporary Staffing at the San Jose/Santa Clara Regional Wastewater Facility is scheduled for Council consideration on August 5, 2014.**

6. **OTHER BUSINESS/CORRESPONDENCE**

7. **STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC**

A. Report on Bids and Award of Contract for 7100 – Digester Gas Compressor Upgrade Project

Staff Recommendation:

- a. Report on bids and award of a construction contract for 7100 – Digester Gas Compressor Upgrade Project to the low bidder, Anderson Pacific Engineering and Construction, Inc., for the base bid in the amount of \$11,316,000, and approval of a ten percent contingency in the amount of \$1,131,600.
- b. Adopt the following 2013-2014 Appropriation Ordinance Amendments in the San Jose-Santa Clara Treatment Plant Capital Fund:
  1. Decrease the Energy Generation Improvements appropriation to the Environmental Services Department in the amount of \$5,200,000; and
  2. Increase the Combined Heat and Power Equipment Repair and Rehabilitation appropriation to the Environmental Services Department in the amount of \$5,200,000.

**Report on Bids and Award of Contract for 7100 – Digester Gas Compressor Upgrade Project was approved by Council on May 20, 2014.**

B. Report on Bids and Award of Contract for the 7259 – Training Trailer Replacement Project

Staff Recommendation:

1. Award of a construction contract for the 7249 – Training Trailer Replacement to the low bidder, Newton Construction and Management, Inc., in the amount of \$513,874.
2. Approve a contingency in the amount of \$51,400.

**The Report on Bids and Award of Contract for the 7259 - Training Trailer Replacement was approved by Council on May 20, 2014.**

C. Master Service Agreements with Environmental Science Associates, CH2M Hill Engineers, Inc. and David J. Powers & Associates, Inc. for Environmental Review and Permitting Services

Staff Recommendation: Approve the master agreements between the City of San Jose and the following firms for environmental review and permitting services for the San Jose-Santa Clara Regional Wastewater Facility and various other City projects and programs for a term through June 30, 2019, subject to the appropriation of funds:

1. Environmental Science Associates in an amount not to exceed \$2,125,000;
2. CH2M Hill Engineers, Inc. in an amount not to exceed \$500,000; and
3. David J. Powers & Associates, Inc. in an amount not to exceed \$375,000.

**The Master Service Agreements with Environmental Science Associates, CH2M Hill Engineers, Inc. and David J. Powers & Associates, Inc. for Environmental Review and Permitting Services was approved by Council on May 20, 2014**

D. San Jose/Santa Clara Water Pollution Control Plant 2015-2019 Proposed Capital Improvement Program

Staff Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2015-2019 Proposed Capital Improvement Program

**The San Jose/Santa Clara Water Pollution Control Plant 2015-2019 Proposed Capital Improvement Program was heard by Council on June 10, 2014, and is scheduled for adoption on June 17, 2014**

E. San Jose/Santa Clara Water Pollution Control Plant 2014-2015 Proposed Operating and Maintenance Budget

Staff Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2014-2015 Proposed Operating and Maintenance Budget

**The San Jose/Santa Clara Water Pollution Control Plant 2014-2015 Proposed Operating and Maintenance Budget was heard on June 10, 2014, and is scheduled for adoption on June 17, 2014**

**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.

**9. MISCELLANEOUS**

A. The next TPAC meeting is August 14, 2014, at 4:30 p.m. City Hall, Room 1734.

**10. OPEN FORUM**

**11. ADJOURNMENT**

NOTE: If you have any changes or questions, please contact Jennifer Hade, Environmental Services, (408) 975-2515.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please contact Jennifer Hade at (408) 975-2515 or (408) 294-9337 (TTY) as soon as possible, but at least three business days before the meeting/event.

**Availability of Public Records.** All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at San Jose City Hall, 200 East Santa Clara Street, 10<sup>th</sup> Floor, Environmental Services at the same time that the public records are distributed or made available to the legislative body.

**MINUTES OF THE  
SAN JOSE/SANTA CLARA  
TREATMENT PLANT ADVISORY COMMITTEE**  
City Hall, City Manager's Office, 17<sup>th</sup> Floor, Room 1734  
Thursday, May 15, 2014 at 4:30 p.m.

1. **ROLL CALL**

Minutes of the Treatment Plant Advisory Committee convened this date at 4:30 p.m. Roll call was taken during the preceding study session, with the following members in attendance:

Committee members: Kansen Chu, Jose Esteves, John Gatto, Pat Kolstad, Jennifer Maguire, Patricia Mahan (Alternate), Jamie Matthews, Madison Nguyen and Chuck Page

Absent: Committee Chair Chuck Reed

Committee Member Madison Nguyen acted as Chair Pro-tem

2. **APPROVAL OF MINUTES**

- A. April 17, 2014  
**Item 2.A was approved.**  
Ayes - 8  
Nays - 0  
Absent - 1

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

4. **DIRECTORS REPORT**

- A. Directors Verbal Report:

Kerrie Romanow, Director, Environmental Services recommended that the July 2014 Treatment Plant Committee meeting be cancelled due to City Council recess and vacation schedules.

She gave an update on the Environmental Services department vacancy rate stating that it has gone from 28% down to 19% and that it is expected to fall below 15% in the fall.

Kerrie gave an overview of the CIP monthly status report for March 2014.

Committee Member Gatto requested that future monthly reports include the in-progress projects on the treatment process graph.

5. **AGREEMENTS/ACTION ITEMS**

A. **Report on Bids and Award of Contract for 7100 – Digester Gas Compressor Upgrade Project**

Staff Recommendation:

- a) Report on bids and award of a construction contract for 7100 – Digester Gas Compressor Upgrade Project to the low bidder, Anderson Pacific Engineering and Construction, Inc., for the base bid in the amount of \$11,316,000, and approval of a ten percent contingency in the amount of \$1,131,600.
- b) Adopt the following 2013-2014 Appropriation Ordinance Amendments in the San Jose-Santa Clara Treatment Plant Capital Fund:
  - 1) Decrease the Energy Generation Improvements appropriation to the Environmental Services Department in the amount of \$5,200,000; and
  - 2) Increase the Combined Heat and Power Equipment Repair and Rehabilitation appropriation to the Environmental Services Department in the amount of \$5,200,000.

**Report on Bids and Award of Contract for 7100 – Digester Gas Compressor Upgrade Project is scheduled for Council consideration on May 20, 2014.**

B. **Report on Bids and Award of Contract for the 7259 – Training Trailer Replacement Project**

Staff Recommendation:

1. Award of a construction contract for the 7249 – Training Trailer Replacement to the low bidder, Newton Construction and Management, Inc., in the amount of \$513,874.
2. Approve a contingency in the amount of \$51,400.

**The Report on Bids and Award of Contract for the 7259 - Training Trailer Replacement is scheduled for Council consideration on May 20, 2014.**

C. **Master Service Agreements with Environmental Science Associates, CH2M Hill Engineers, Inc. and David J. Powers & Associates, Inc. for Environmental Review and Permitting Services**

Staff Recommendation: Approve the master agreements between the City of San Jose and the following firms for environmental review and permitting services for the San Jose-Santa Clara Regional Wastewater Facility and various other City projects and programs for a term through June 30, 2019, subject to the appropriation of funds:

1. Environmental Science Associates in an amount not to exceed \$2,125,000;
2. CH2M Hill Engineers, Inc. in an amount not to exceed \$500,000; and
3. David J. Powers & Associates, Inc. in an amount not to exceed \$375,000.

**The Master Service Agreements with Environmental Science Associates, CH2M Hill Engineers, Inc. and David J. Powers & Associates, Inc. for Environmental Review and Permitting Services is scheduled for Council consideration on May 20, 2014**

D. San Jose/Santa Clara Water Pollution Control Plant 2015-2019 Proposed Capital Improvement Program

Staff Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2015-2019 Proposed Capital Improvement Program

**The San Jose/Santa Clara Water Pollution Control Plant 2015-2019 Proposed Capital Improvement Program is scheduled for consideration by the San Jose City Council on June 10, 2014, and for adoption on June 17, 2014**

E. San Jose/Santa Clara Water Pollution Control Plant 2014-2015 Proposed Operating and Maintenance Budget

Staff Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2014-2015 Proposed Operating and Maintenance Budget

**The San Jose/Santa Clara Water Pollution Control Plant 2014-2015 Proposed Operating and Maintenance Budget is scheduled for consideration by the San Jose City Council on June 10, 2014, and for adoption on June 17, 2014**

**Motion by Committee Member Matthews, second by Committee Member Gatto to approve items 5.A through 5.E. Items 5.A. through 5.E. were approved.**

Ayes - 8  
Nays - 0  
Absent - 1

6. **OTHER BUSINESS/CORRESPONDENCE**

7. **STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC**

A. Report on Bids and Award of Contract for 7157 – Digester Gas Storage Replacement Project



Report on bids and award of a construction contract for 7157 – Digester Gas Storage Replacement Project to the lowest responsive bidder, Anderson Pacific Engineering Construction Inc., for the base bid and Add Alternate No. 1 in the amount of \$1,825,100, and approval of a ten percent contingency in the amount of \$182,510.

**The Report on Bids and Award of Contract for 7157 – Digester Gas Storage Replacement Project was approved by Council on April 22, 2014.**

B. Report on Bids and Award of Contract for 6998 – Fire Main Replacement – Phase III Project

Report on bids and award of construction contract for 6998 – Fire Main Replacement – Phase III Project to the lowest responsive bidder, Stoloski & Gonzalez, Inc., for the base bid in the amount of \$1,572,870, and approval of a 10 percent contingency in the amount of \$157,290.

Adopt the following 2013-2014 Appropriation Ordinance Amendments in the San Jose-Santa Clara Treatment Plant Capital Fund:  
Decrease the Plant Infrastructure Improvements appropriation to the Environmental Services Department in the amount of \$400,000; and  
Increase the Treatment Plant Fire Main Replacement appropriation to the Environmental Services Department in the amount of \$400,000.

**The Report on Bids and Award of Contract for 6998 – Fire Main Replacement – Phase III Project was approved by Council on April 22, 2014.**

C. Report on Bids and Award of Contract for the 7407 - BNR-2 Clarifiers Guardrail Replacement

Award of a construction contract for the 7407 - BNR-2 Clarifiers Guardrail Replacement to the lowest responsive bidder, Tucker Construction, Inc., in the amount of \$320,792.50.  
Approve a contingency in the amount of \$32,100.

**The Report on Bids and award of Contract for the 7407 – BNR-2 Clarifiers Guardrail Replacement was approved by Council on April 22, 2014**

D. Wholesale Recycled Water Rates for FY 2014-15

Adopt a resolution to adjust the rate discount for wholesale recycled water through the South Bay Water Recycling Program at \$215 for Industrial/Agricultural category users effective July 1, 2014, superseding Resolution No. 75430

**The Wholesale Recycled Water Rates for FY 2014-15 was approved by Council on April 29, 2014.**

E. San Jose-Santa Clara Regional Wastewater Facility Capital Improvement Program Semiannual Status Report, July – December 2013

Accept the Semiannual Status Report on the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program for the period of July through December 2013; and Cross-reference this item to the April 29, 2014 Council meeting for acceptance.

**The San Jose-Santa Clara Regional Wastewater Facility Capital Improvement Program Semiannual Status Report, July – December 2013 was approved by Council on April 29, 2014.**

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 next TPAC meeting is June 12, 2014, at 4:30 p.m. City Hall, 1734

10. PUBLIC COMMENT


None

11. ADJOURNMENT

A. The Treatment Plant Advisory Committee adjourned at 4:40 p.m.

Chuck Reed, Chair  
Treatment Plant Advisory Committee

**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Environmental Services	<b>CEQA:</b> Exempt, File No. PP14-029	<b>Coordination:</b> PBCE, PW, CMO, Finance, CAO, and TPAC	<b>Dept. Approval:</b> /s/ Kerrie Romanow
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b> 

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 7474 - RWF STREET TREATMENT PHASE III**

**RECOMMENDATION:**

- (a) Award the construction contract for the 7474 - RWF Street Treatment Phase III project at the San José-Santa Clara Regional Wastewater Facility to the lowest bidder, O'Grady Paving, Inc., in the amount of \$388,859.
- (b) Approve a 10% contingency in the amount of \$39,000.

**BASIS FOR RECOMMENDATION:**

This project will improve the drainage and repair the aging roadway on Center Street and First Street located within the San José-Santa Clara Regional Wastewater Facility (Wastewater Facility). The streets at the Wastewater Facility are nearing the end of their service life and many streets have sections of pavement failure, unraveling, potholing, non-standard curb and gutter, and areas of poor drainage. This project will replace the existing asphalt concrete, construct an overlay of rubberized asphalt along Center Street from Main Street to Zanker Road and First Street, replace curb and gutters, install valley gutters, and replace traffic loops.

The project was advertised for bid and a total of four bids were received and opened on April 17, 2014. The lowest bid submitted by O'Grady Paving, Inc. is 15 % below the Engineer's Estimate of \$405,000. The bid is considered acceptable for the work involved in the project. The low bid can be attributed to the current competitive bidding environment for roadway construction in this area. Council Policy provides for a contingency of 10 % on roadway pavement projects and the standard contingency is appropriate for this project.

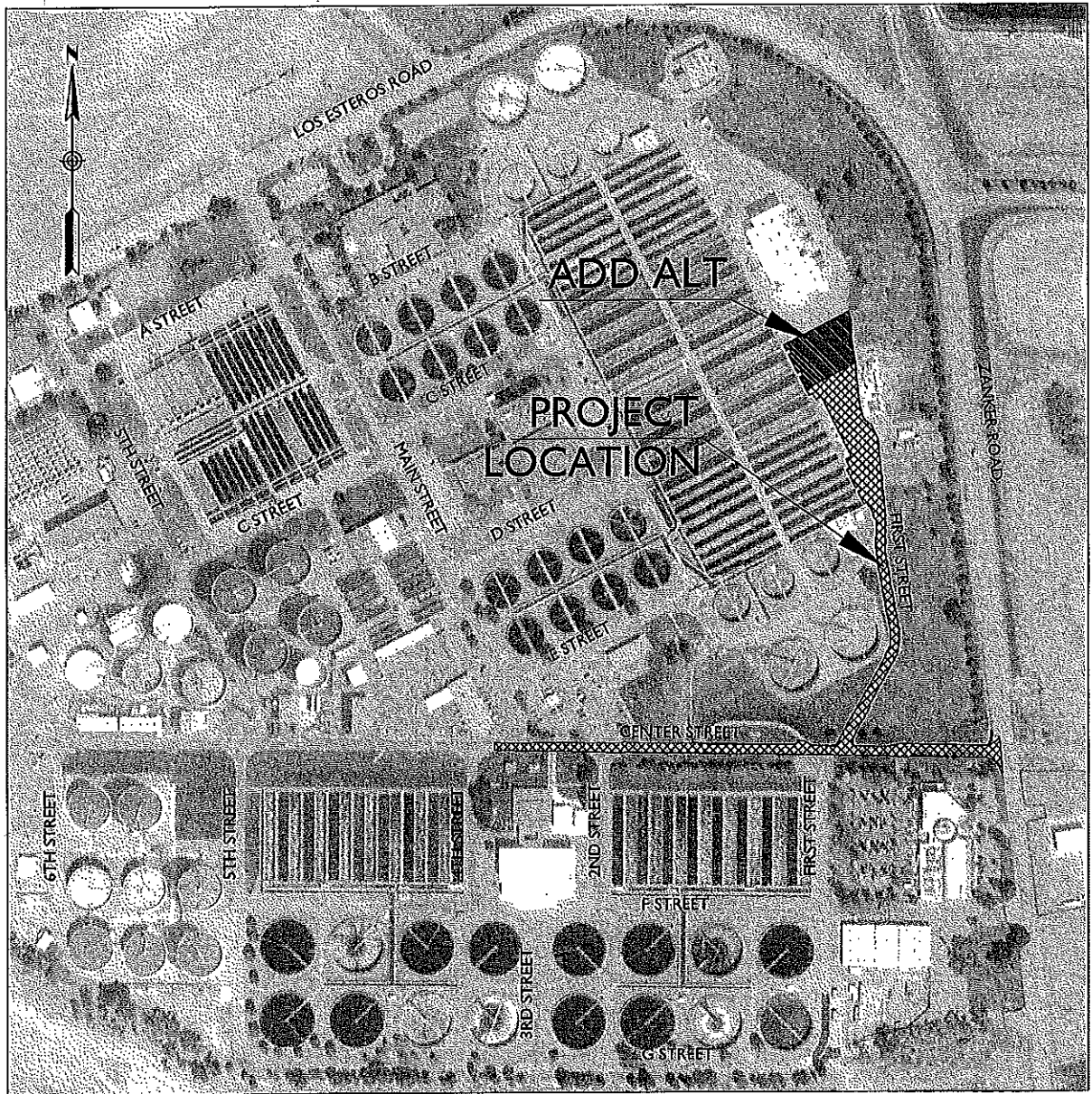
**COST AND FUNDING SOURCE:**

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$ 388,859
2. COST OF PROJECT:
 

Project Delivery	\$ 229,000
Construction	\$ 388,859
Contingency	<u>\$ 39,000</u>
<b>TOTAL PROJECT COSTS</b>	<b>\$ 656,859</b>
Prior Year Expenditures	<u>\$ 0</u>
<b>REMAINING PROJECT COSTS</b>	<b>\$ 656,859</b>
3. SOURCE OF FUNDING:  
512 - San Jose/Santa Clara Treatment Plant Capital Fund, Appropriation 7396 - Treatment Plant Street Rehabilitation (\$810,000 2013-2014 Capital Budget. Ord. No. 29271, 06/18/13).
4. FISCAL IMPACT:  
Existing funds are available for this project. No additional appropriation is required.


**FOR QUESTIONS CONTACT:** Ashwini Kantak, Assistant Director, ESD, at (408) 975-2553.

# 7474 – RWF STREET TREATMENT PHASE III



LOCATION MAP  
N.T.S.

**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Environmental Services	<b>CEQA:</b> Exempt, File No. PP 13-039	<b>Coordination:</b> DPW, Finance, CMO - Budget Office, CAO, TPAC	<b>Dept. Approval:</b> /s/ Kerrie Romanow
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b> 

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 6833 – FILTRATION BUILDING B2 AND B3 PIPE AND VALVE REPLACEMENT**

**RECOMMENDATION:**

- 1) Award of a construction contract for the Filtration Building B2 and B3 Pipe and Valve Replacement to the low bidder, Anderson Pacific Engineering Construction Inc., in the amount of \$158,900.
- 2) Approve a contingency in the amount of \$31,780.

**BASIS FOR RECOMMENDATION:**

The existing Filtration Building, at the San José-Santa Clara Regional Wastewater Facility (Wastewater Facility), was constructed in 1975. The valves and piping inside the building are over 35 years old and require frequent maintenance due to leaks. In addition, some valve actuators have operational problems. This project will demolish and replace the B2 and B3 filter backwash valves, valve actuators, and adjoining piping in the Filtration Building Battery B gallery. Work will also include the installation of conduit and pipe support systems.

Bids were opened May 1, 2014 and three bidders submitted proposals. Anderson Pacific Engineering Construction Inc., of Santa Clara, CA, submitted the low bid in the amount of \$158,900, which is 51 % under the Engineer's Estimate. All of the bids received range from 20 to 51% under the Engineer's Estimate. The two lowest bids are nine percent apart and both bidders have extensive experience working at the Wastewater Facility. The favorable bids can be attributed to a competitive bidding environment and increasing interest from the construction community for upcoming work at the Wastewater Facility.

Staff considers this low bid amount acceptable and requests a contingency of 20%, instead of the Council-approved standard contingency of 10%, due to a higher potential for encountering unknown conditions associated with working in an older facility.

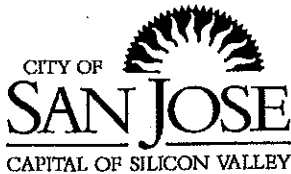
**COST AND FUNDING SOURCE:**

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$158,900.00
2.	COST OF PROJECT:	
	Project Delivery	\$193,000.00*
	Construction	\$158,900.00
	Contingency (20%)	\$31,780.00
	<b>TOTAL PROJECT COSTS</b>	<b>\$383,680.00</b>
	Prior Year Expenditures:	0
	<b>REMAINING PROJECT COSTS</b>	<b>\$383,680.00</b>

\* Project delivery includes \$128,884 for design services, \$5,090 for bid & award, \$54,868 for construction management services, and \$4,158 for project close-out.

SOURCE OF FUNDING: 512 – San José-Santa Clara Treatment Plant Capital Fund, 7227 – Filter Improvements (\$800,000 2013-2014 Capital Budget. Ord. No. 29271, 06/18/13).

**FOR QUESTIONS CONTACT:** Ashwini Kantak, Assistant Director, Environmental Services at (408) 975-2553.



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Kerrie Romanow  
David Sykes

**SUBJECT:** SEE BELOW

**DATE:** June 3, 2014

Approved

Date

6/5/14

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR  
7394 -EMERGENCY DIESEL GENERATOR PACKAGE 2A PROJECT**

## RECOMMENDATION

Report on bids and award of a construction contract for 7394 – Emergency Diesel Generator Package 2A Project to the lowest responsive bidder, Anderson Pacific Engineering Construction, Inc., for the base bid in the amount of \$15,310,000, and approval of a ten percent contingency in the amount of \$1,531,000.

## OUTCOME

Award of this construction contract will allow for the completion and construction of the Emergency Diesel Generator Package 2A Project at the San José-Santa Clara Regional Wastewater Facility. Approval of a ten percent contingency will provide funding for any unanticipated work necessary for the completion of the project.

## EXECUTIVE SUMMARY

The Emergency Diesel Generator Package 2A Project includes the installation of four emergency diesel generators with a capacity of three Megawatts each to sustain critical operations and secondary treatment in the event of a PG&E power loss. Due to the cost and complexity of this project, potential bidders were required to demonstrate that they met specified minimum qualification and responsibility requirements in order to submit bids for the project.

The apparent low bidder was Overaa-HGH Electric A Joint Venture. Yet in the pre-qualification process, Overaa submitted qualifications as a single corporate entity with HGH Electric as a subcontractor and did not submit any subcontractor information to be independently pre-qualified as required in the pre-qualification process. As a result, Overaa-HGH Electric A Joint Venture was deemed non-responsive and City staff recommends awarding the Emergency Diesel Generator Package 2A Project to the lowest responsive bidder, Anderson Pacific Engineering

Construction, Inc., in the amount of \$15,310,000. Anderson Pacific Engineering Construction, Inc. was pre-qualified and its bid has been reviewed, analyzed, and found acceptable.

## **BACKGROUND**

In 2012, CDM Smith (a consultant retained by the City) completed an Energy Management Strategic Plan that assessed the San José-Santa Clara Regional Wastewater Facility's<sup>1</sup> (Wastewater Facility) existing and future power demands, condition of the existing energy systems, and the need for emergency power facilities in the event of power loss from PG&E. Along with a recommendation to replace the Wastewater Facility's cogeneration equipment, the study identified the need for emergency generators to ensure that critical load startup and full secondary treatment can be achieved in the event of a sustained power outage.

The proposed project, based on CDM Smith's recommendation, will install four emergency diesel generators with a capacity of three Megawatts each to sustain critical operations and secondary treatment for forty-eight hours in the event of a PG&E power loss. The project also includes the installation of an emissions system, fueling system, storage building, control system and monitoring system with connectivity to the Wastewater Facility's Distributed Control System (DCS), electrical switchgear, synchronizing panel, protective relays, and other components. See Attachment A for project location map.

### **Operational Strategy**

The generators will automatically start and energize the facility's electrical distribution system within five (5) minutes of a power outage. Two of the four emergency generators will immediately connect to the Wastewater Facility's electrical grid to support critical load startup necessary for primary treatment operations and pumping to prevent facility-wide flooding. Immediately thereafter, the remaining two emergency generators will be started to provide power needed to supply aeration air to the secondary treatment process. A more detailed discussion of the emergency power requirements at the Wastewater Facility is provided in Attachment B.

### **Project Delivery Approach**

This project is a design-build low-bid project. A design consultant was retained to develop 30% drawings and specifications (also called "bridging documents") for the purpose of procuring a design-build entity to bring the project to 100% design and construction completion. This approach was selected for the following reasons:

- **Time savings:** Long lead items, such as the large generators, may be selected and ordered at the earliest stage of the design effort, thereby significantly shortening the overall time schedule.

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<sup>1</sup> The legal, official name of the facility remains San Jose/Santa Clara Water Pollution Control Plant, but beginning in early 2013, the facility was approved to use a new common name, the San José-Santa Clara Regional Wastewater Facility.

June 3, 2014

Subject: 7394 - Emergency Diesel Generator Package 2A Project

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- **Cost savings:** This project includes the design and coordination of plans, specifications, and submittals for complex electrical and controls systems. Design-build low-bid provides the potential for cost savings by having a single entity provide both the design and construction in a one-stop process, thereby improving project coordination while reducing claims and delays often found in design-bid-build projects.

Request for Pre-Qualifications

City Council approved the pre-qualification policy for construction contracts in November 2003. The prequalification policy requires that construction contractors be prequalified for projects with values over \$10 million. Due to the cost and complexity of the Emergency Diesel Generators project, potential bidders were required to demonstrate that they met specified minimum qualification and responsibility requirements in order to submit bids for the project. On October 23, 2013, potential bidders were invited to complete and submit a standardized pre-qualification questionnaire. The questionnaire included a uniform and objective method of determining if a design-build entity is qualified and responsible to perform the scope and scale of the project.

In response to the City's Request for Pre-Qualifications, the City received nine statements of qualification from design-build entities. Staff analyzed the submissions and issued a list of eight pre-qualified design-build entities on December 4, 2013.

On February 5, 2014, the City issued a notice to the pre-qualified design-build entities inviting bids for the project.

ANALYSIS

Bids were opened on March 27, 2014, with the following results:

<u>Contractor</u>	<u>City</u>	<u>Bid Amount</u>	<u>Variance Over/Under</u>	
			<u>Amount</u>	<u>Percent</u>
Overaa-HGH Electric A Joint Venture	Richmond	\$14,496,000	(\$1,609,973)	(10%)
Anderson Pacific Engineering Construction, Inc	Santa Clara	\$15,310,000	(\$795,973)	(4.9%)
Helix Electric, Inc	San Diego	\$15,548,000	(\$557,973)	(3.5%)
Blocka Construction, Inc.	Fremont	\$15,588,000	(\$517,973)	(3.2%)
Cupertino Electric, Inc	San Jose	\$16,097,000	(\$8,973)	(0.1%)
<b>Engineer's Estimate</b>	---	<b>\$16,105,973</b>	---	---
Shimmick Construction Company, Inc	Oakland	\$18,323,000	\$2,217,027	13.8%



Seven of the eight pre-qualified bidders attended the non-mandatory pre-bid site walk-through for this project and a total of six bids were received. Five of the six bids were lower than the Engineer's Estimate.

On April 3, 2014, the Notice of Intent to Award Contract (NOITA) was posted on BidSync to notify bidders of the City's decision to recommend awarding the project to the apparent low bidder, Overaa-HGH Electric A Joint Venture (JV). On April 7, 2014, a letter was received from Anderson Pacific Engineering Construction, Inc. (Anderson Pacific), protesting the City's NOITA for the Project.

Anderson Pacific alleged that C. Overaa & Co. (Overaa) was prequalified to bid the project but the JV was not. During the pre-qualification process, Overaa submitted qualifications as a single corporate entity with HGH Electric as a subcontractor. Overaa was pre-qualified by the City; however, HGH Electric did not submit any information and was not independently pre-qualified. Subsequent to the pre-qualification process, Overaa formed a joint venture with HGH Electric and submitted its bid as a joint venture.

After reviewing Anderson Pacific's protest and Overaa's response to the protest, staff has determined that the JV was not pre-qualified as required by the City's Request for Pre-Qualifications. As noted in the pre-qualification requirements, "If two or more business entities submit a bid as part of a joint venture, or expect to submit a bid proposal as part of a joint venture, each entity within the joint venture must be independently pre-qualified." During the prequalification process Overaa identified HGH Electric as its subcontractor in order to comply with the City's contractor licensing requirements for the project. However since HGH Electric was not independently pre-qualified, the JV could not bid on the project since it did not comply with the pre-qualification requirements.

Based on the foregoing, City staff recommends that the San José City Council award the Emergency Diesel Generator Package 2A Project to the lowest responsive bidder, Anderson Pacific Engineering Construction, Inc., who was pre-qualified and whose bid has been reviewed, analyzed, and found acceptable. Staff considers the bid amount of \$15,310,000 reasonable for the work involved.

Anderson Pacific has successfully delivered multiple projects at the San José-Santa Clara Regional Wastewater Facility in the past. These projects include the Alternative Disinfection project, the Fuel Cell Foundation Platform and Utility Interconnections Design-Build project, the RAS and SS (return activated sludge and settled sludge) Valve Replacement Secondary project, the Residual Sludge Management Supernatant Ammonia Management Project, and the New Construction of Various Equipment project (time and material contract).

Council Policy provides for a standard contingency of ten percent on public works projects of this nature to cover for unforeseen conditions that may be encountered during construction. Staff considers the standard contingency appropriate for this project.

**EVALUATION AND FOLLOW-UP**

The project is currently within budget, with a projected construction completion date of July 2016. No additional follow-up action with City Council is expected at this time. A progress report on this and other Wastewater Facility capital projects will be made to the Transportation and Environment Committee and the Council on a semiannual basis. Monthly progress reports will also be submitted to the Treatment Plant Advisory Committee and posted on the City's website.

**PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1,000,000 or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

A "Notice to Contractors" inviting qualified contractors to submit a bid was posted on BidSync and the *San José Post Record*. This memo will be posted on the City's website for the June 17, 2014, Council agenda.

**COORDINATION**

This project and memorandum has been coordinated with the Finance Department, the Planning, Building and Code Enforcement Department, City Manager's Budget Office, and the City Attorney's Office. This item is scheduled to be heard at the June 12, 2014, Treatment Plant Advisory Committee (TPAC) meeting.

**COST SUMMARY/IMPLICATIONS**

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$ 15,310,000
	Project Delivery	\$ 3,300,000*
	Construction	15,310,000
	Contingency	<u>1,531,000</u>
	Total Project Costs	20,141,000

Prior Year Expenditures: 0  
 REMAINING PROJECT COSTS: \$ 20,141,000

2. COST ELEMENTS OF AGREEMENT/CONTRACT:  
 This is a unit rate contract. \$ 15,310,000

*\* Project delivery includes \$436,806 for design services, \$65,000 for bid and award, \$522,471 for consultant design and construction support services, \$1,985,729 for construction management services, and \$289,994 for project closeout.*

3. SOURCE OF FUNDING: 512 – San José-Santa Clara Plant Capital Fund.
4. OPERATING COSTS: Starting in FY 2016-2017, the new Emergency Diesel Generators will have an extended warranty and a vendor maintenance agreement in the amount of \$35,000 annually. In addition, the projected staff cost will be in the amount of \$37,500 annually.

**BUDGET REFERENCE**

The table below identifies the fund and appropriations proposed to fund the contract(s) recommended as part of this memo and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	2013-2014 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
<b>Remaining Project Costs</b>				<b>\$20,141,000</b>			
<b>Remaining Funding Available</b>							
512	7454	Energy Generation Improvements	176625	\$37,628,000	\$15,310,000	V-197	9/24/13 Ord. No. 29318
<b>Total Current Funding Available</b>				<b>\$37,628,000</b>	<b>\$15,310,000</b>		

HONORABLE MAYOR AND CITY COUNCIL

June 3, 2014

Subject: 7394 - Emergency Diesel Generator Package 2A Project

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**CEQA**

Exempt, File No. PP13-049

/s/

DAVID SYKES

Director of Public Works

/s/ Ashwini Kantak for

KERRIE ROMANOW

Director, Environmental Services

Department

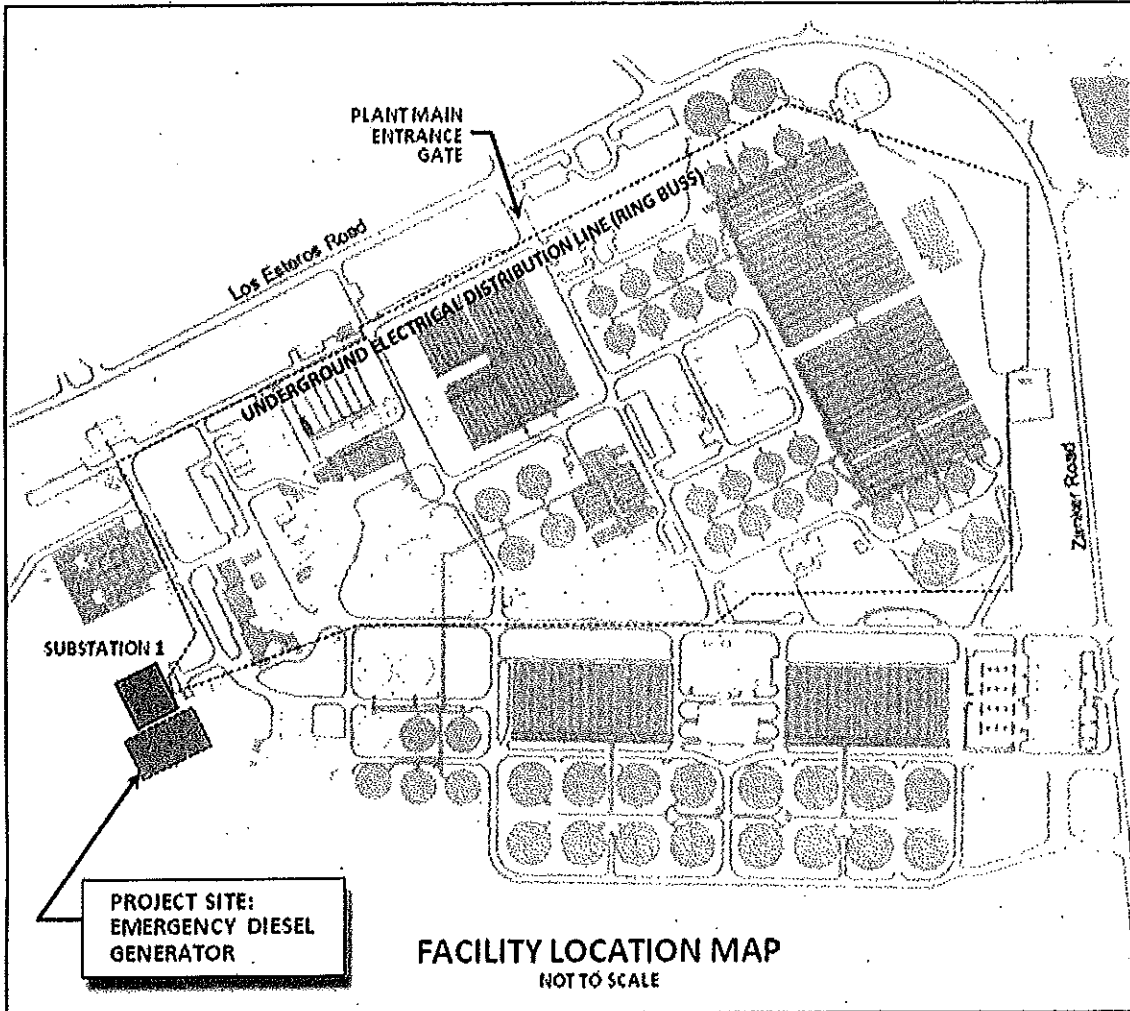
For questions please contact Ashwini Kantak, Assistant Director, Environmental Services Department at 408-975-2553.

Attachments:

Attachment A: Project Map

Attachment B: Emergency Power Overview map

Attachment A  
Project Location Map



**Attachment B**  
**Emergency Power Overview**  
**at San José-Santa Clara Regional Wastewater Facility**

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The San José-Santa Clara Regional Wastewater Facility ("Wastewater Facility") treats an average of nearly 110 million gallons per day of raw sewage, providing protection to the various habitats surrounding the Wastewater Facility including San Francisco Bay. The surrounding environment includes burrowing owl habitat, various wildlife and aquatic life habitats, and businesses and homes.

Because the Wastewater Facility is a critical part of the region's infrastructure, it should be designed to operate during critical events such as earthquakes and power outages. In the event of loss of power to the Wastewater Facility, raw sewage would quickly begin to overflow the headworks of the Wastewater Facility, creating a series of significant impacts:

- The most immediate and greatest impact is damage to equipment as the Wastewater Facility and its tunnels are flooded with raw sewage. This damage greatly reduces the Wastewater Facility's ability to commence sewage treatment once power is restored. The Wastewater Facility may be off-line for days, possibly weeks, resulting in prolonged environmental contamination.
- Next, after the Wastewater Facility itself is flooded, raw sewage would flow onto the surrounding environment and into the Bay, causing extensive environmental contamination and significant human health impacts.
- Damage to the Wastewater Facility would be extensive and is estimated to approach \$100 million. Additional environmental damage and the costs of permit violations are impossible to estimate.

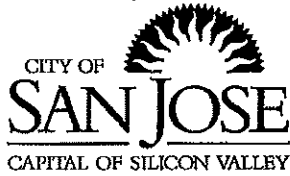
The Emergency Diesel Generator Project is intended to provide emergency power in the event of a complete power loss. To mitigate the initial impacts, the Wastewater Facility requires 6 MW of power within 3 to 5 minutes to operate pumps and divert wastewater to the overflow emergency basins. In order to resume processing raw sewage, avoid overflowing the emergency basins, and release only treated water to the Bay, the Wastewater Facility needs another 2 MW to 5 MW of power to come online within the next 4 hours.

The existing power generators at the Wastewater Facility are aged and failing, and will ultimately be removed when the new Cogeneration Facility comes on line in 2017. The new Cogeneration Facility relies on an uninterrupted supply of natural gas to provide full plant power, and thus will not be able to provide emergency power in the event of a total loss of power and natural gas to the Wastewater Facility, as might occur during an earthquake. Startup and continued operation of the new facility requires coordination with ancillary Utilities and cannot be relied upon for immediate power supply during a power failure or an emergency. Therefore, the front line of defense to respond to power outages is the Emergency Diesel Generators.

The four 3-MW Emergency Diesel Generators will alleviate the impacts of power and natural gas loss to near zero under the situations described above. The Emergency Generators will be able to support base and secondary loads, starting up immediately and automatically, sustaining full Wastewater Facility operations.

5D

T&E AGENDA: 06/02/14  
ITEM: d (3)



# Memorandum

**TO:** TRANSPORTATION AND ENVIRONMENT COMMITTEE

**FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** May 20, 2014

Approved

Date

5.22.14

**SUBJECT: SAN JOSÉ-SANTA CLARA REGIONAL WASTEWATER FACILITY TECHNICAL TRAINING PROGRAM UPDATE**

## RECOMMENDATION

Accept this status report on the development of a technical training program at the San José-Santa Clara Regional Wastewater Facility.

## OUTCOME

This report will update the Committee on the status of technical training program development at the San José-Santa Clara Regional Wastewater Facility.

## BACKGROUND

The San José-Santa Clara Regional Wastewater Facility<sup>1</sup> (Facility) has experienced a high turnover rate in operations and maintenance staffing during the last several years. A December 2, 2013 Facility staffing status memo reported a 25 percent vacancy rate in the combined five critical classifications: Wastewater Operators, Wastewater Mechanics, Industrial Electricians, Instrument Control Technicians and Wastewater Mechanics - Heavy Diesel Equipment Operator/Mechanics. This high vacancy rate has impacted the training and succession planning strategy in place for all of these critical classifications. It has also increased the challenge to

<sup>1</sup> The legal, official name of the facility remains San Jose/Santa Clara Water Pollution Control Plant, but beginning in early 2013, the facility was approved to use a new common name, the San José-Santa Clara Regional Wastewater Facility.

TRANSPORTATION AND ENVIRONMENT COMMITTEE

May 20, 2014

Subject: San José-Santa Clara Regional Wastewater Facility Technical Training Program Update

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deliver consistent training using the informal methodology of job shadowing, and on the job training delivered by experienced Facility staff.

Historically, when the Facility was fully staffed (<5% vacancy), new staff were trained by partnering them with more experienced staff, over a period up to five years. As they gained more experience, skills, knowledge, and abilities, they were integrated into the Wastewater Facility. The informal nature of the training meant, however, that the effectiveness of the training could not be measured, the contents of each training experience was unique to the staff person providing it, and it could take up to five years to reach a Journey level of expertise.

The recent high turnover rate no longer allows this timeframe for training and integrating new staff and requires a much less protracted training period. The Facility is also embarking on a major Capital Improvement Program (CIP) over the next decade, making it critical for the Facility staff to be familiar with the Facility and to help guide the CIP.

Thus, the Facility faces two key training challenges: training new and promoted staff quickly and consistently, and retaining and leveraging its institutional knowledge.

In October 2013, the Treatment Plant Advisory Committee recommended and Council approved a three-year agreement with Competency Training Systems International (CTS). In January 2014, CTS began the process of developing a competency based technical training system that will consistently advance the competence of Facility employees, and accelerate the integration of new and promoted staff to ensure continued, seamless operation of the Wastewater Facility.

### ANALYSIS

With the loss of experienced staff at an unprecedented rate, the Facility hired CTS to develop and deliver a comprehensive training program, allowing staff to focus on the needs of the CIP and the operations of the Facility.

CTS has been working closely with Facility staff to develop a training program to address specific Facility needs for eight Operations and Maintenance disciplines: Wastewater Operators, Wastewater Mechanics, Wastewater Mechanics - Heavy Diesel Equipment Operator/Mechanics specialization, Industrial Electricians, Instrument Control Technicians, HVAC Mechanics, Industrial Painters, and Process and Systems Control Specialists. The program, developed by CTS and customized by Facility experts, will be delivered in a series of modules to provide consistent and repeatable training for the eight disciplines. Through this program, staff will be trained to perform their duties in a correct and consistent manner. Additionally, CTS will provide Train-the-Trainer instruction in order for Wastewater Facility staff to sustain this in-house technical training program upon completion of the contract.

This training program will be comprised of training modules that include a job competency requirement document, a set of standard answers, one standard operating procedure, training curriculum, classroom instruction of the module topic, and in-person competency assessments.



May 20, 2014

Subject: San José-Santa Clara Regional Wastewater Facility Technical Training Program Update

Page 3

Approximately 30 modules will be developed for Operators and Mechanics as well as a Train-the-Trainer module. The proposed training strategy includes 40 hours of training per module and a series of practical assessments. Prior to the training module development, a training needs assessment will be performed in each discipline and there will also be a pre-test. The effectiveness of the program will be determined through a series of follow-up competency assessments.

In January 2014, CTS began developing training modules for Operators and Mechanics. To date, CTS has met with Facility leadership, conducted workshops for Wastewater Facility staff, performed one-on-one interviews, and conducted an online survey. They will also complete a training needs assessment for the first two disciplines. In addition, CTS also completed an inventory of training materials. CTS will review these materials and incorporate them into the new training modules as they are developed.

Training modules will be delivered to all Facility staff in that particular process area with competency assessments used to determine the level of proficiency. This will ensure consistency in standard practices and procedures and will enable staff to better plan training for upcoming process area rotations. As promotions and planning for rotations occur, staff will be included in process area module training workshops to further accelerate their training and integration, and to prepare them to be trained to deliver this critical training in the future.

The content for the first technical training modules for Operators (Disinfection) and for Mechanics (Primary, Sludge Control and Digester Maintenance) are currently being reviewed by Facility staff for approval. Course delivery of these modules is planned for June 2014. All Operators assigned to the Disinfection area, all Operators-in-Training, and the Wastewater Forepersons who supervise the Disinfection area will be trained in the Disinfection module. Each module takes approximately two months to write with an additional month to deliver training. By December 30, 2014, 12 modules will be written and training and assessments will be administered for 10 of the 12 modules.

All training modules for Mechanics are scheduled to be completed by March 2015 and for Operators by August 2015. Development of the Mechanic - Heavy Diesel Specialty modules will begin in approximately January 2015, with the remaining modules to follow. The master agreement with CTS is in effect until June 2017. Within the scope of the consultant's contract is a provision of Train-the-Trainer, so that Facility staff will be able to assume management of the technical training program when the CTS contract ends.

In addition, concerted efforts have been, and continue to be made to fill vacant positions. Due to the limited pool of experienced Wastewater workers, we have added entry-level Wastewater Attendant positions in 2013-14, and have also proposed the creation of additional Wastewater Attendant positions in the 2014-15 Proposed Budget. As of April 2014, the vacancy rate over the last six months in the combined five critical job classifications has decreased from 25 percent to 20 percent. With the on-boarding of nine new staff in the five job classifications and five new wastewater attendants, the comprehensive training program will be instrumental in consistent training and integrating the large number of new staff as quickly as possible.

May 20, 2014

Subject: San José-Santa Clara Regional Wastewater Facility Technical Training Program Update

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### **EVALUATION AND FOLLOW-UP**

An update on the Regional Wastewater Facility technical training program will be provided to the City Council and the Treatment Plant Advisory Committee (TPAC) in spring 2015.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This report does not meet the above criteria.

### **COORDINATION**

This report has been coordinated with the City Attorney.

### **CEQA**

Not a Project, File No. PP10-069(a) Staff Reports.

/s/

KERRIE ROMANOW  
Director, Environmental Services

For questions please contact Linda Charfauros, Division Manager, Environmental Services Department, at (408) 535-8553.

5E

T&E AGENDA: 06/02/14  
ITEM: d (4)



# Memorandum

**TO:** TRANSPORTATION &  
ENVIRONMENT COMMITTEE

**FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** 05-14-14

Approved

Date

5-21-14

**SUBJECT: BURROWING OWL HABITAT IMPROVEMENTS AT THE REGIONAL WASTEWATER FACILITY**

## RECOMMENDATION

Accept this progress report highlighting habitat improvement activities for the Western Burrowing Owl on San José-Santa Clara Regional Wastewater Facility bufferlands that began in 2012.

## OUTCOME

Provide an update to the Transportation and Environment (T&E) Committee on the progress of improving the habitat for the Western Burrowing Owl on San José-Santa Clara Regional Wastewater Facility (Facility) bufferlands and increasing the owl population at the site.

## BACKGROUND

The Western Burrowing Owl is listed as a Federal and State Species of Special Concern, with significant population decreases over the past several decades. The Western Burrowing Owl is a small owl, about 9" tall, and is typically migratory throughout much of its range, although many birds reside year round in California. Western Burrowing Owls are both diurnal and nocturnal and are most active at dawn and dusk. They do not hoot as do most other owl species and are the only species of owl worldwide that live and nest underground. Western Burrowing Owls will use other "burrows" such as pipes, crevices in rocks, or burrows dug by other animals.

Western Burrowing Owls have been documented to nest at the Facility bufferlands for the past decade; however, numbers had declined until the City of San José initiated habitat improvements in 2012. City staff implemented activities based on the City's Bufferlands Interim Burrowing Owl Management Plan (Interim Plan) as temporary measures until certification of the Plant

Master Plan (PMP) Environmental Impact Report (EIR). The City Council certified the PMP EIR on November 19, 2013. As part of the PMP's goal to improve habitat and minimize impacts to the local and global environment, it designated 180 acres as burrowing owl habitat. Protection and maintenance of the owl habitat is provided under the terms of required mitigation measures in the Mitigation Monitoring and Reporting Program (MMRP). Council Policy 6-31 also supports the use of Facility bufferlands to provide direct benefit to habitats supporting United States Department of Fish and Wildlife and California Department of Fish and Wildlife Species of Special Concern. Improving the habitat quality at the bufferlands is expected to increase the number of nesting owls and promote reproductive success, two goals the City of San José would like to achieve on the bufferlands.

The City of San José entered into a Grant Agreement with Santa Clara Valley Audubon Society (SCVAS) in March 2014 to provide services related to the upkeep, improvement and promotion of the burrowing owl habitat. The Grant Agreement designates performance measures to be completed in support of the Western Burrowing Owl habitat at certain time intervals until June 30, 2014, with two one-year options to extend. Under the Grant Agreement, habitat improvement and maintenance activities consistent with the PMP and EIR follow the guidelines set forth in the Interim Plan and MMRP.

## ANALYSIS

Current habitat improvement and management activities by Environmental Services Department staff, SCVAS and volunteers are based on the Interim Plan, developed by Western Burrowing Owl specialists Dr. Lynn Trulio and Phil Higgins, as well as the scope set forth in the Grant Agreement and measures outlined in the MMRP.

The Interim Plan's recommendations are designed to improve both foraging and nesting habitat for the owls as well as for California ground squirrels, a species the owls depend upon for quality habitat. Key factors for improving conditions for the owls have included, but are not limited to, the following:

1. Short grass habitat (less than 5 inches) directly around burrows used by birds for nesting and non-nesting purposes. This provides adequate visual range for the owls to spot predators and seek cover or escape. Facility staff actively manage the grass height.
2. Longer grass habitat in large open fields to provide a habitat for Western Burrowing Owl prey, especially large insects and small rodents. Woody debris piles have been placed at intervals through the habitat improvement area to foster the establishment of owl prey.
3. Conditions that support a healthy, large ground squirrel population. Primarily, soil conditions need to allow burrowing mammals to burrow. The sheep and goats no longer graze on the bufferlands because they cause too much soil compaction. This allowed the ground squirrel population to rebound and dig more burrows. Over the past two years, thousands of cubic yards of clean soil were imported onto the site in a 3-4 foot layer suitable for ground squirrels to burrow. The soil mounds throughout the site, approximately 3 feet high are also attractive burrowing sites because of the vantage point

provided. Additionally, "move-in ready" artificial burrows were installed in many of these soil mounds.

4. Conditions that discourage predators, including little to no vegetative cover near burrows, the absence of trees or other tall perches for large birds of prey, and the absence of cat colonies.
5. Low levels of human activity near burrows. The Facility bufferlands are ideal in this sense, since they are gated with no public access.

In fulfillment of the Grant Agreement, SCVAS has continued vegetation maintenance around burrows, installed and maintained perches, installed motion sensing cameras, conducted three site surveys and submitted corresponding survey reports. SCVAS has provided the City with completed survey forms, photographs, and forms requested by the Santa Clara Habitat Agency.

Surveys conducted in March 2014 during the breeding season identified twelve owls including at least three nesting pairs. Subsequent surveys in April identified at least eight nesting pairs. Breeding season surveys in 2013 identified up to eight owls, including three pairs. This is a significant improvement from prior to habitat enhancement efforts, in which regular owl sightings were rare, and no more than four owls were generally seen during surveys.

The MMRP requires that Western Burrowing Owl habitat maintenance and improvement activities reduce impacts to Congdon's tarplant. In adherence to this mitigation measure, surveys for tarplant are conducted prior to any activity and areas containing tarplant are avoided.

### EVALUATION AND FOLLOW UP

Staff will return to the T&E Committee in spring of 2015 to present information on the 2015 Western Burrowing Owl breeding season in the Facility bufferlands and the effect of the habitat improvements.

### PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1,000,000 or greater.
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City.
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach.

This report does not meet the criteria listed above. This memorandum will be posted on the City's website for the June 2, 2014 T&E agenda.

**COORDINATION**

This report has been coordinated with the City Attorney's Office and the Department of Planning, Building and Code Enforcement (PBCE). PBCE prepares quarterly memos to T&E to report on Mitigation Monitoring and Reporting Requirements for individual projects, including for burrowing owl mitigation parcels that are required as a condition of approval of development permits. This item will be heard at the June 12, 2014 Treatment Plan Advisory Committee (TPAC) meeting.

**CEQA**

Not a Project, File No.PP10-069 (a), Informational Memos that involve no approvals of any City actions. The PMP EIR, for which the MMRP is a component of, has been reviewed under CEQA. Acceptance of this progress report does not require an action under CEQA.

/s/  
KERRIE ROMANOW  
Director, Environmental Services

For questions, please contact René Eyerly, Sustainability and Compliance Manager, at (408) 975-2594.



T&E AGENDA: 06/02/14  
ITEM: d (1)

5F

# Memorandum

**TO:** TRANSPORTATION AND ENVIRONMENT COMMITTEE

**FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** May 14, 2014

Approved

Date

5-21-14

**SUBJECT: STATUS REPORT ON THE SANITARY SEWER FLOW STUDY**

## RECOMMENDATION

Accept this status report on the Sanitary Sewer Flow Study.

## BACKGROUND

In August 2012, the City Auditor released audit Report 12-06, Environmental Services: A Department at a Critical Juncture. The audit scope included a review of the Sanitary Sewer User Charge and the allocation of costs to customers. The City Auditor recommended updating assumptions driving sanitary sewer rates for residential customers, and establishing a policy to periodically evaluate assumptions that influence rates, including household size, daily per capita sewage flow, and housing stock composition. The Administration agreed with this recommendation.

The Environmental Services Department (ESD) completed a preliminary sanitary sewer flow study for the San José-Santa Clara Regional Wastewater Facility<sup>1</sup> (RWF) for San José residential customers in February 2013. Due to the short time frame of the initial study and the lack of easily accessible data on water use trends for the entire service area, the findings were based on a limited dataset. In a March 2013 Information Memo to City Council, ESD described plans to prepare and release an RFQ for a consultant to expand the study to include the entire RWF service area, water consumption data for multiple years, and commercial sector data.

An RFQ for a consultant was released in July 2013, but no proposals were received. Based on feedback from potential proposers, a revised RFQ was released in October 2013 and multiple proposals were received in November.

<sup>1</sup> The legal, official name of the facility remains San Jose/Santa Clara Water Pollution Control Plant, but beginning in early 2013, the facility was approved to use a new common name, the San José-Santa Clara Regional Wastewater Facility.

## ANALYSIS

Carollo Engineers was awarded the contract and began work in March 2014. The scope of services is to perform a sanitary sewer flow and strength parameters study for the entire service area of the RWF. Both sanitary sewer flow and strength parameters (Biochemical Oxygen Demand, Total Suspended Solids, and Ammonia) are used to calculate capital as well as operating and maintenance costs of the RWF. Carollo Engineers will (1) review the current revenue program for the RWF with City staff to identify any inconsistencies between the sanitary sewer flow reporting methodologies among the City of San José, the City of Santa Clara, and the five other tributary agencies whose wastewater is treated by the RWF; (2) analyze the potential significance of any inconsistencies in methods used to classify residential and commercial users and to estimate their discharges; and (3) make preliminary recommendations regarding potential improvements to reporting methodologies. Following completion of the project, City staff will bring the report to the Treatment Plant Advisory Committee (TPAC) for discussion.

The first phase of the study is currently underway. During this phase, Carollo Engineers will compile data pertinent to the sanitary sewer flow analysis work, review the current revenue program and customer classifications, review wastewater strength parameters used in the revenue program, identify reporting discrepancies, and develop an approach to analyzing sanitary sewer flow and strength data.

A draft report on the preliminary findings and recommendations will be completed in June for presentation to TPAC's Technical Advisory Committee (TAC). Following discussion with TAC, a detailed work-plan for the remainder of the sanitary sewer flow study will be developed. It is anticipated that Carollo Engineers will complete their analysis and recommendations over the summer.

Any potential changes to household sizes, flow assumptions, strength parameters, and classification of commercial establishments may impact cost allocations among the different customer categories in the City of San José and the tributary agencies. Changes in cost allocations may subsequently result in changes in sanitary sewer rates for customers in FY 2015-16. Staff will bring forward preliminary findings and recommendations to this Committee in fall 2014 after the draft final report has been completed. This will allow time for discussion and feedback in advance of the FY 2015-16 budget process.

/s/  
KERRIE ROMANOW  
Director, Environmental Services

For questions, please contact Ashwini Kantak, Assistant Director, at (408) 975-2553.





# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** June 2, 2014

Approved

Date

6/5/14

**SUBJECT: STATUS REPORT ON AGREEMENT WITH TELSTAR TO PROVIDE TEMPORARY STAFFING AT THE SAN JOSE-SANTA CLARA REGIONAL WASTEWATER FACILITY**

## RECOMMENDATION

Adopt a resolution to authorize the City Manager to exercise the second one-year option to extend the Agreement for August 17, 2014, through August 16, 2015 for a maximum compensation not to exceed \$998,000, and for the authority to exercise the two remaining one-year options to extend the Agreement through August 16, 2017, subject to the appropriation of funds.

## OUTCOME

Supplement the City's full-time workforce in order to provide required critical resources necessary for the safe and continued operation of the San José-Santa Clara Regional Wastewater Facility.

## BACKGROUND

Between 2008 and 2012, the San José-Santa Clara Regional Wastewater Facility<sup>1</sup> (Wastewater Facility) experienced a 43% turnover in its workforce and a 24% vacancy rate, resulting in severe staffing shortages. To cover critical work at the Wastewater Facility, staff was working a significant amount of overtime. In order to alleviate the excess workload due to this staffing shortage and ensure continued and reliable operation of the Wastewater Facility, Council adopted a resolution on August 14, 2012, authorizing the City Manager to execute a master agreement with Telstar Instruments, Inc. to provide temporary staffing for Industrial Electricians and Instrument Technicians. The initial term of the agreement was for one year, with four one-year options to extend the agreement. Staff was directed to return to Council

<sup>1</sup> The legal, official name of the facility remains San Jose/Santa Clara Water Pollution Control Plant, but beginning in early 2013, the facility was approved to use a new common name, the San José-Santa Clara Regional Wastewater Facility.

with a status report on the agreement prior to exercising the first one-year extension. On August 27, 2013, staff returned to Council with a status report, Council adopted a resolution authorizing the City Manager to execute the first one-year option to extend the Agreement, and directed staff to return to Council with a status report on the agreement prior to exercising the second one-year extension.

**ANALYSIS**

Between August 2013 and May 2014, the Wastewater Facility's Industrial Electrical and Instrumentation sections have experienced an average vacancy rate of 30%. In order to ensure continued operational reliability, the Wastewater Facility has used the services of four FTE Telstar temporary Instrumentation Technicians. In the first eight months of the second 12 month term of the agreement (August 17, 2013 to April 18, 2014), an average of four temporary Instrumentation Technicians worked 4,562 hours, averaging 30 hours/week per person. The total cost for these services is approximately \$525,000.

The temporary Instrumentation Technicians have been performing preventative maintenance duties such as calibrating instruments, updating and replacing field instruments, meters, and valves. This allows City staff to handle more critical tasks, troubleshoot issues, and plan and design improvement projects. To date, the Wastewater Facility has not utilized Telstar for Industrial Electricians, opting instead to make use of the City's side-letter agreement with the IBEW union hall to hire temporary Union Hall Electricians. In FY 2013-14 YTD (July 1, 2013 to May 10, 2014), an average of two temporary Electricians have worked 3080 hours, averaging 35 hours/week per person. The total compensation paid in this period for Electricians from the Union Hall was approximately \$260,000.

The table below demonstrates the cost of utilizing temporary Telstar employees at \$115/hour versus City staff at \$101.67/hour<sup>2</sup> based on approximately 4,562 hours.

Classification	Temporary Employees	City Staff	Percent Difference
Instrument Control Technicians	\$525,000	\$464,000	13.2%.

ESD continues to explore and implement strategies to retain staff and recruit qualified candidates to fill its vacant positions. In September 2012, Council approved a new Industrial Electrician series and pay range. These new classifications reflect the specialized training, experience, and duties required to maintain high-voltage electrical power generation equipment at the Wastewater Facility. The Human Resources (HR) and Environmental Services Departments (ESD) created a testing and selection process for the new Industrial Electrician classification. The Industrial Electrician Supervisor position was filled in December 2013, and a

<sup>2</sup> The City staff hourly calculation of \$101.67 is inclusive of salary, benefits, fringe, paid time off, and overhead.

recruitment to fill two vacant Industrial Electrician positions resulted in one hire in May 2014. The next recruitment to fill the remaining vacant Industrial Electrician position is scheduled for June 2014. The Instrument Control Supervisor position was filled in November 2013, and a February 2014 testing process to fill three vacant Instrument Control Technician positions resulted in no hires. A job announcement to fill these Instrument Control Technician positions was posted on March 5, 2014, as an open-until-filled recruitment. In addition, a job classification and market study are currently underway for the Instrument Control Technician series.

To increase the qualified candidate pools for all Wastewater Facility positions, ESD has increased its outreach activities. Between July 2013 and May 30, 2014, staff participated in 18 career outreach activities, including an August 2013 Wastewater Career Exploration event, career day presentations at Los Medanos and Mission Community Colleges, Work2Future job fairs, and hosted a career exploration tour of the Facility for students from the Silicon Valley Career Technical Education center.

#### **EVALUATION AND FOLLOW-UP**

No additional follow-up is anticipated.

#### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1,000,000 or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

**COORDINATION**

This memorandum was coordinated with the Human Resources Department, the City Manager's Budget Office and the City Attorney's Office. This item will be heard at the June 12, 2014, meeting of the Treatment Plant Advisory Committee (TPAC).

**FISCAL/POLICY ALIGNMENT**

This action is consistent with Council approved Budget Strategy to focus on protecting vital core City services for both the short and long term.

**COST SUMMARY/IMPLICATIONS**

The cost estimate for the one-year extension with Telstar to provide temporary Instrument Control Technicians and Industrial Electricians is as follows:

<b>FY 2014-2015</b>				
	Estimated Temporary Staff	Hourly Cost*	Hours Worked	Total Cost
Instrument Techs	3	\$121	2000	\$ 726,000
Industrial Elect	1	\$136	2000	\$ 272,000
Total FY 2014-15			4	\$ 998,000

\*Hourly rate reflects the contractual CPI increase.

The costs above reflect an estimated level of staffing in FY 14-15, actual costs will only be for actual hours of temporary staffing used. As permanent positions are filled, the use of temporary staffing will be evaluated.

**BUDGET REFERENCE**

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	2014-2015 Proposed Budget (Page) *	Last Budget Action (Date, Ord. No.)
513	0762	Non- Personal/ Equipments	925800	\$31,331,798	\$998,000	XI-81	TBD

\*The 2014-2015 Operating Budget is scheduled to be adopted on June 17, 2014.

HONORABLE MAYOR AND CITY COUNCIL  
June 2, 2014  
Subject: Status Report on Agreement with Telstar  
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**CEQA**

Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment.

/s/Ashwini Katak for  
KERRIE ROMANOW  
Director, Environmental Services

For questions please contact Joanna De Sa, Deputy Director, at (408) 635-2039.

8A

**City Manager's Contract Approval Summary**  
 For Procurement and Contract Activity between \$100,000 and \$1.08 Million for Goods and \$100,000 and \$270,000 for Services

MAY 1, 2014 - MAY 31, 2014

Description of Contract Activity <sup>1</sup>	Fiscal Year	Req# RFP#	PO#	Vendor/Consultant	Original \$ Amount	Start Date	End Date	Additional \$ Amount	Total \$ Amount	Comments
<b>NEW:</b>										
TO LEASE A NEW 4-WIDE TRAILER AT SJ/SC RWF FOR CIP CONSTRUCTION MANAGEMENT STAFF/CONSULTANTS	FY13/14	19434			\$100,000	6/1/14	5/31/15			
TWO-MONTH RENTAL OF NEW FECON FTK600 MULCHING TRACTOR (WITH PURCHASE OPTION)	FY13/14	19412	77677	FECON, INC.	\$110,000	5/14/14	8/31/14			
CONSULTANT SERVICE (PROGRAM MGMT, DEVELOPMENT OF BID DOC & CONSTRUCTABILITY REVIEW AND ADDITIONAL SERVICES) - DESIGN FERRIC CHLORIDE & POLYMER STORAGE AND DOSING FACILITIES	FY13-14		AC21247	CH2M HILL	\$690,672	5/14/14	6/30/15			SERVICE ORDER #13 (MASTER AGREEMENT TERM 3/25/08 - 6/30/13, MASTER AGREEMENT EXT 6/30/15)
FACILITY TECHNICAL TRAINING PROGRAM DEVELOPMENT - PROVIDING INSTRUCTION AND ASSESSMENT FOR EIGHT (8) COMPLETED MODULES, AND DEVELOPING SIX (6) TRAINING MODULES (3 OPS & 3 MECH)	FY13-14		AC25736	CTS, INTERNATIONAL CORP	\$431,640	5/5/14	11/30/14			SERVICE ORDER #3 (MASTER AGREEMENT TERM 10/22/13 - 6/30/17)
<b>ONGOING:</b>										
COATING REHABILITATION SERVICES OF FIVE (5) CLARIFIER TANKS	FY13-14	18673			\$800,000	5/21/14	5/20/15			
TRACTOR - JLG G12-56A TELEHANDLER	FY13-14	18919		TOYOTA MATERIAL HANDLING	\$151,500	5/8/14	6/30/14			MAINTENANCE - TELESCOPIC ALL TERRAIN FORKLIFT
DIFUSER MEMBRANE REPLACEMENT	FY13-14	19047	77751	ENVIRONMENTAL DYNAMICS INC	\$114,396	6/2/14	12/31/14			

<sup>1</sup> This report captures in process contract activity (Requisition Number or RFP Number) and completed contract activity (Purchase Order Number, Contract Term, and Contract Amount)