

## 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  
ALEX GURZA, MEMBER  
KANSEN CHU, MEMBER

### AGENDA/TPAC

4:30 p.m.

December 11, 2014

Room 1734

---

1. **ROLL CALL**

2. **APPROVAL OF MINUTES**

- A. November 13, 2014
- B. November 20, 2014

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

4. **DIRECTOR'S REPORT** (verbal)

- A. **Directors Verbal Report**
  - Monthly Progress Report

5. **AGREEMENTS/ACTION ITEMS**

- A. Memorandum of Understanding between the City of San José and McCarthy to Amend CC&Rs for the McCarthy Property Adjacent to the San José – Santa Clara Regional Wastewater Facility

Staff Recommendation: Approval of a Memorandum of Understanding between the City of San Jose and Joseph A. McCarthy and Muriel M. Harris as successor Trustees of the RLM Trust and MGM Trust (“McCarthys”) to negotiate an amendment to two Declaration of Covenants, Conditions, Restrictions & Agreements (“CC&Rs”) by and among McCarthys, City of San Jose, and Browning-Ferris Industries of California, Inc. and International Disposal Corp. of California, Inc., dated April 17, 1998 and recorded on April 28, 1998 and July 28, 2000, respectively, to provide McCarthys a process for early termination of the CC&Rs following completion of specific conditions.

**The proposed Memo of Understanding to Amend the CC&Rs is scheduled for Council consideration on December 16, 2014.**

6. **OTHER BUSINESS/CORRESPONDENCE**

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

A. **Sanitary Sewer Flow Study Update**

Staff Recommendation:

1. Accept the staff report regarding the attached Sanitary Sewer Flow Study and cross reference to the full Council on December 2, 2014; and
2. Recommend to the full Council approval of the proposed changes and policy recommendations for future updates to the revenue program for the San José-Santa Clara Regional Wastewater Facility. Use West Valley Sanitation District flow data to estimate flow rates for County Sanitation District 2-3, Cupertino Sanitary District and Burbank unless specific flow data is recorded from those agencies by November 30, 2014.

**The proposed update on the Sanitary Sewer Flow Study is scheduled for Council consideration on January 27, 2015.**

B. **Odor Control Strategy for Regional Wastewater Facility**

Staff Recommendation: Approve the proposed odor control strategy at the San José-Santa Clara Regional Wastewater Facility .

TPAC Recommendation: Approve the proposed odor control strategy at the San José-Santa Clara Regional Wastewater Facility and review the cost of setting the southern fenceline at Highway 237.

**The proposed odor control strategy at the San José-Santa Clara Regional Wastewater Facility, along with the additional TPAC recommendations, was approved by Council on December 2, 2014.**

C. **Biosolids Transition Strategy Update**

Staff Recommendation: Accept this staff report that provides an update on the Biosolids Transition Strategy for the San José-Santa Clara Regional Wastewater Facility.

**The proposed update on the Biosolids Transition Strategy was approved by Council on December 2, 2014.**

D. Agreement with Vitol, Inc. for the Purchase of California Carbon Allowances

Staff Recommendation: Ratify City Council adoption of a resolution to authorize the City Manager to execute an agreement between the City of San José and Vitol, Inc. for the purchase of California Carbon Allowances for the San José - Santa Clara Regional Wastewater Facility as part of the California Cap-and-Trade Program for an amount not to exceed \$306,605.25.

**The proposed agreement with Vitol was heard and approved by Council on October 28, 2014.**

E. Biosolids Transition Strategy

Staff Recommendation: Approve the Biosolids Transition Strategy for the San José-Santa Clara Regional Wastewater Facility.

TPAC Recommendation:

1. Proceed with the TPAD upgrade;
2. Defer thermal and greenhouse drying facilities; and
3. Bring other recommendations back along with a revised timeline in fall 2015 after the odor strategy is completed and costs are calculated.

**The proposed Biosolids Transition Strategy was heard by Council on December 2, 2014 and the following action was taken:**

- 1. Proceed with TPAD;**
- 2. Defer the thermal drying and greenhouse drying facilities; and**
- 3. Bring back all other recommendations in spring 2015, once additional odor modeling and odor control cost information on the biosolids transition is available.**

**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.

B. Tributary Agencies Available Plant Capacity – 2014

The attached annual report identifies the San José, Santa Clara and member agencies' 2014 plant capacity as well as available (unused) capacity.

**9. MISCELLANEOUS**

- A. The next TPAC meeting is January 8, 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 Adriana Márquez, Environmental Services, (408) 975-2547.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please contact Adriana Márquez (408) 975-2547 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, November 13, 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, with the following members in attendance:

Committee members: Committee Chair Chuck Reed, Committee Members, Jose Esteves, John Gatto, Patricia Mahan (Alternate), Alex Gurza, Chuck Page, Kansen Chu, and Madison Nguyen

Absent: Jamie Matthews, Pat Kolstad

**2. APPROVAL OF MINUTES**

A. October 09, 2014

**Item 2.A was approved.**

**Ayes – 8** (Reed, Esteves, Gatto, Mahan, Gurza, Page, Chu, Nguyen)

**Nays – 0**

**Absent - 2**

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

**4. DIRECTORS REPORT**

A. Directors Verbal Report:

- Monthly Progress Report

**5. AGREEMENTS/ACTION ITEMS**

A. Sanitary Sewer Flow Study Update

Staff Recommendation:

1. Accept the staff report regarding the attached Sanitary Sewer Flow Study and cross reference to the full Council on December 2, 2014; and
2. Recommend to the full Council approval of the proposed changes and policy recommendations for future updates to the revenue program for the San José-Santa Clara Regional Wastewater Facility.

**The proposed update on the Sanitary Sewer Flow Study is scheduled for Council consideration on January 27, 2015.**

**Motion by Committee Member Mahan to use West Valley Sanitation District flow data to estimate flow rates for County Sanitation District 2-3, Cupertino**

**Sanitary District and Burbank unless specific flow data is received from those agencies, second by Committee Member Page to approve items 5.A.**

**Ayes – 7** (Reed, Esteves, Mahan, Gurza, Page, Chu, Nguyen)

**Nays – 1** (Gatto)

**Absent - 2**

David Wall spoke against the Sanitary Sewer Flow Study

**B. Odor Control Strategy for Regional Wastewater Facility**

Staff Recommendation: Approve the proposed odor control strategy at the San José-Santa Clara Regional Wastewater Facility

**The proposed odor control strategy at the San José-Santa Clara Regional Wastewater Facility is scheduled for Council consideration on December 2, 2014.**

**Motion by Committee Member Nguyen review the cost of the setting southern fenceline at Highway 237, second by Committee Member Mahan.**

**Ayes – 8** (Reed, Esteves, Gatto, Mahan, Gurza, Page, Chu, Nguyen)

**Nays – 0**

**Absent - 2**

David Wall spoke against the Odor Control Strategy

**C. Biosolids Transition Strategy Update**

Staff Recommendation: Accept this staff report that provides an update on the Biosolids Transition Strategy for the San José-Santa Clara Regional Wastewater Facility.

**The proposed update on the Biosolids Transition Strategy is scheduled for Council consideration on December 2, 2014.**

**DEFERRED TO NOVEMBER 20, 2014 SPECIAL TPAC MEETING**

**D. Agreement with Vitol, Inc. for the Purchase of California Carbon Allowances**

Staff Recommendation: Ratify City Council adoption of a resolution to authorize the City Manager to execute an agreement between the City of San José and Vitol, Inc. for the purchase of California Carbon Allowances for the San José - Santa Clara

Regional Wastewater Facility as part of the California Cap-and-Trade Program for an amount not to exceed \$306,605.25.

**The proposed agreement with Vitol was heard and approved by Council on October 28, 2014.**

**Motion by Committee Member Page, second by Committee Member Mahan to approve item 5.D. Committee Member Gatto opposed item 5.D.**

**Ayes – 7 (Reed, Esteves, Mahan, Gurza, Page, Chu, Nguyen)**

**Nays – 1**

**Absent - 2**

**6. OTHER BUSINESS/CORRESPONDENCE**

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

A. Approve master agreements between the City of San José and the following firms for special inspection and materials testing services for various capital improvement projects at the San José-Santa Clara Regional Wastewater Facility for a 5-year term beginning upon execution of the agreements through December 31, 2019, subject to the appropriation of funds:

1. Construction Testing Services, Inc. in an amount not to exceed \$500,000; and
2. Signet Testing Laboratories, Inc. in an amount not to exceed \$500,000

**The proposed master agreements was approved by Council on October 28, 2014.**

B. Adopt a resolution authorizing the City Attorney to do the following:

1. Negotiate and execute a legal services contract with Hawkins, Delafield & Wood LLP to support the San José-Santa Clara Regional Wastewater Facility capital improvement program for an initial one-year term with compensation not to exceed \$180,000.00; and
2. Exercise up to two one-year options extending the legal services contract with Hawkins, Delafield & Wood LLP with compensation for each option year not to exceed \$160,000 plus any funds remaining from the previous contract year, subject to appropriation of funds by the City Council.

**The proposed resolution for authority to negotiate and execute a legal services contract with Hawkins, Delafield & Wood LLP was approved by Council on October 28, 2014.**

- C. Accept this status report on the reissuance of the San José-Santa Clara Regional Wastewater Facility Discharge Permit and update on the health of the South San Francisco Bay.

**The status report on the reissuance of the San José-Santa Clara Regional Wastewater Facility Discharge Permit and update on the health of the South San Francisco Bay was approved by Council on October 28, 2014.**

- D. San José-Santa Clara Regional Wastewater Facility Semi Annual Capital Improvement Program Semi Annual Status Report January-June 2014.

**The San José-Santa Clara Regional Wastewater Facility Semi Annual Capital Improvement Program Semi Annual Status Report January-June 2014 was approved by Council on October 28, 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. There will be a Special TPAC meeting on November 20, 2014 at 4:00pm, City Hall Wing Rooms 118/119/120.  
B. The next TPAC meeting is December 11, 2014, at 4:30 p.m. City Hall, Room 1734.

10. **PUBLIC COMMENT**

David Wall spoke about various items.

11. **ADJOURNMENT**

- A. The Treatment Plant Advisory Committee adjourned at 5:50 p.m.

Chuck Reed, Chair  
Treatment Plant Advisory Committee



**MINUTES OF THE  
SAN JOSE/SANTA CLARA  
TREATMENT PLANT ADVISORY COMMITTEE**

City Hall, Wing Rooms 118/119/120  
Thursday, November 20, 2014 at 4:00 p.m.

**1. ROLL CALL**

Minutes of the Treatment Plant Advisory Committee convened this date at 4:00 p.m. Roll call was taken, with the following members in attendance:

Committee members: Committee Chair Chuck Reed, Committee Members, Jose Esteves, John Gatto, Jamie Matthews, Jerry Marsalli (Alternate), Teri Killgore (Alternate), Chuck Page.

Absent: Kansen Chu, Pat Kolstad, Madison Nguyen, and Alex Gurza

**2. AGREEMENTS/ACTION ITEMS**

A. Biosolids Transition Strategy Update

Staff Recommendation: Accept this staff report that provides an update on the Biosolids Transition Strategy for the San José – Santa Clara Regional Wastewater Facility.

**The proposed update on the Biosolids Transition Strategy is scheduled for Council consideration on December 2, 2014.**

**Motion by Committee Member Matthews, second by Committee Member Page to approve item 2.A.**

**Ayes – 7** (Reed, Esteves, Gatto, Matthews, Marsalli, Killgore, Page)

**Nays – 0**

**Absent - 4**

B. Biosolids Transition Strategy

Staff Recommendation: Approve the Biosolids Transition Strategy for San José – Santa Clara Regional Wastewater Facility.

**The proposed Biosolids Transition Strategy is scheduled for Council consideration on December 2, 2014.**

**Motion by Committee Member Matthews, second by Committee Member Gatto approved to proceed with TPAD only. Committee Member Esteves opposed the motion.**

**Ayes – 6** (Reed, Gatto, Matthews, Marsalli, Killgore, Page)

**Nays – 1** (Esteves)

**Absent – 4**

**Motion by Committee Member Matthews, second by Committee Member Page approved to defer the thermal drying and greenhouse drying facilities.**

**Ayes – 7** (Reed, Esteves, Gatto, Matthews, Marsalli, Killgore, Page)

**Nays – 0**

**Absent – 4**

**Motion by Committee Member Matthews, second by Committee Member Page approved to bring back all other recommendations in fall 2015, once the odor study and odor control implementation plan have been completed.**

**Ayes – 7** (Reed, Esteves, Gatto, Matthews, Marsalli, Killgore, Page)

**Nays – 0**

**Absent – 4**

David Wall spoke against the Biosolids Transition Strategy.

**3. PUBLIC COMMENT**

David Wall spoke about various items.

**4. ADJOURNMENT**

A. The Treatment Plant Advisory Committee adjourned at 5:50 p.m.

Chuck Reed, Chair  
Treatment Plant Advisory Committee



San José-Santa Clara  
Regional Wastewater Facility

# Capital Improvement Program Monthly Status Report for October 2014

December 4, 2014

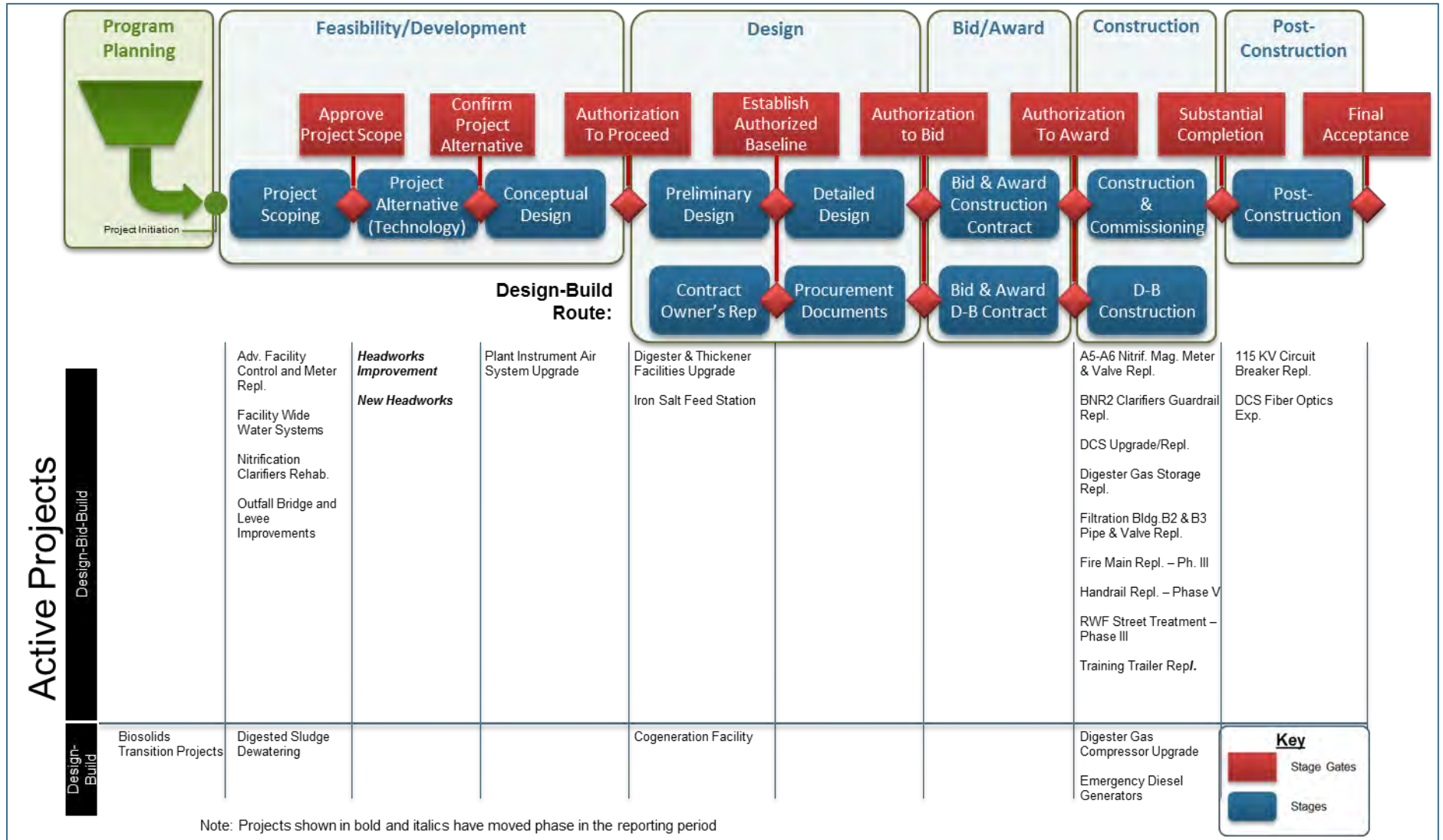
This report provides a summary of the progress and accomplishments of the Capital Improvement Program (CIP) for the San José-Santa Clara Regional Wastewater Facility (Wastewater Facility or RWF) for the period of October 2014.

## Report Contents

Project Delivery Model .....	2
Program Summary .....	3
Program Performance Summary .....	4
Program Cost Performance .....	5
Project Performance .....	7
Project Profile .....	10
Regional Wastewater Facility Treatment – Current Treatment Process Flow Diagram .....	12
Regional Wastewater Facility Treatment – Proposed Treatment Process Flow Diagram .....	13
Active Construction Projects – Aerial Plan .....	14



# Project Delivery Model



# Program Summary

## October 2014

In the month of October, the program team made progress on a number of fronts. We continued to move studies and projects through stage gates of the Project Delivery Model (PDM) process (see figure, inside of front cover). We saw particular progress on our design guidelines library, biosolids transition strategy, and project interfaces work. Intense construction activity also continued within the RWF (see last page of this report). We continued to develop a procurement strategy for hiring various design consultants, with a focus on developing template scopes of work for both design-bid-build and design-build efforts. We continued drafting an Operations Plan for the Wastewater Facility, and began work on a Start-up and Commissioning Plan for large facilities. We completed pilot testing of two construction-phase software tools.

We finished our project-specific workshops to analyze our project schedules in a more in-depth fashion, which in turn will help us update our anticipated financial expenditures over the next 10 years. Finally, we continued driving implementation of our program tools and processes on all existing projects and brought several new staff on-board.

On October 30<sup>th</sup>, we held a special session with TAC to review the status of the Biosolids Transition Strategy.

## Look Ahead

In November, we will move forward with the design consultant procurement for the Headworks Improvements and New Headworks projects and will release RFQs for the Cogeneration Facility design-build project. A number of projects and studies will also continue to progress through the PDM and Stage Gate process. We are scheduled to present an interim update on the biosolids transition strategy to the Transportation & Environment Committee (T&E) on November 3<sup>rd</sup> and recommendations on the biosolids transition strategy TPAC on November 20<sup>th</sup>. In November, staff will begin drafting the Proposed FY 15-16 Capital Budget and FY 16-20 CIP.

## Program Highlight – Decision Log

Over the course of the program, thousands of important decisions will be made. While many decisions are simple and can be captured via written documents, there are key decisions that need to be captured, made visible, and reviewed before a final decision is made. Key decisions can include those having an impact on cost or schedule, those representing a significant change in direction for a project, or those requiring acceptance by Operations & Maintenance staff. A core practice of good program management is to establish a method of logging these key decisions. In doing so, we create transparency of decision-making, and encourage input and collaboration while a decision is being made. Once a decision is made, the decision log can serve to help that decision “stick” should questions be raised in the future. For the program, we have created a Decision Log tool, housed on our web-based CIP Portal. CIP team members are trained in the use of the Decision Log.

Decision Log ID	<input type="text"/>
Project Name	(None) ▾
Issue *	<input type="text"/>
Stage Identified	▾ Choose PDM stage issue was first identified
Cost Impact	<input type="text"/> Enter estimated cost
NPV	<input type="text"/>
Schedule Impact	<input type="text"/> Enter calendar days
Decision Ratification Level	▾ Refer to Table 1
Discussion	<input type="text"/> <small>Use this field to document key discussion points</small>













Figure 1—Decision Log entry form on the CIP Portal



## Program Performance Summary

Seven KPIs have been established to measure the overall success of the CIP. Each KPI represents a metric which will be monitored on a regular frequency. Through the life of the CIP, KPIs will be selected and measured which best reflect the current maturity of the program. The target for the seventh KPI "Staffing Level" KPI will be established as part of the analysis of future staffing needs.

### Program Key Performance Indicators – Fiscal Year 2014-2015

KPI Description	Target	Actual	Status	Trend	Measurement
<b>Schedule</b>	85%	100% (1/1)			Percentage of CIP projects delivered within 2 months of approved baseline Beneficial Use Milestone. <b>Target: 85% of projects delivered within 2 months of approved baseline schedule or better.</b>
<b>Budget</b>	90%	0% (0/1)			Percentage of CIP projects that are completed within the approved baseline budget. <b>Target: 90% of projects total expenditures do not exceed 101% of the baseline budget.</b>
<b>Expenditure<sup>1/2</sup></b>	≥\$95.8M	\$97.5M			Total CIP actual + forecast committed cost for the fiscal year compared to CIP fiscal year budget. <b>Target: Forecast committed cost meets or exceeds 60% of budget for Fiscal Year 14/15 (60% of \$159.7M= \$95.8M)</b>
<b>Procurement</b>	100%	100% (7/7)			Number of actual + forecast consultant and contractor procurements compared to planned for the fiscal year. <b>Target: Forecast /actual procurements for fiscal year meet or exceed planned.</b>
<b>Safety</b>	0	0			Number of OSHA reportable incidents associated with CIP construction for the fiscal year. <b>Target: zero incidents.</b>
<b>Environment/Permits</b>	0	0			Number of permit violations caused by CIP construction for the fiscal year. <b>Target: zero violations.</b>
<b>Staffing Level<sup>3</sup></b>	TBD	TBD	TBD	TBD	Percentage of authorized staffing level <b>Target: to be determined</b>

#### KEY:

**Cost:**  Meets or exceeds KPI target  Does not meet KPI target

#### Notes

1. FY14-15 budget excludes reserves, ending fund balance, South Bay Water Recycling, Public Art and Urgent and Unscheduled Rehabilitation items
2. The Expenditure KPI Target Forecast percentage has been adjusted to reflect the decision to report against the total program budget including contingency (previously the total budget did not include contingency allowance).
3. Staffing level KPI measured quarterly; all other KPIs measured monthly.

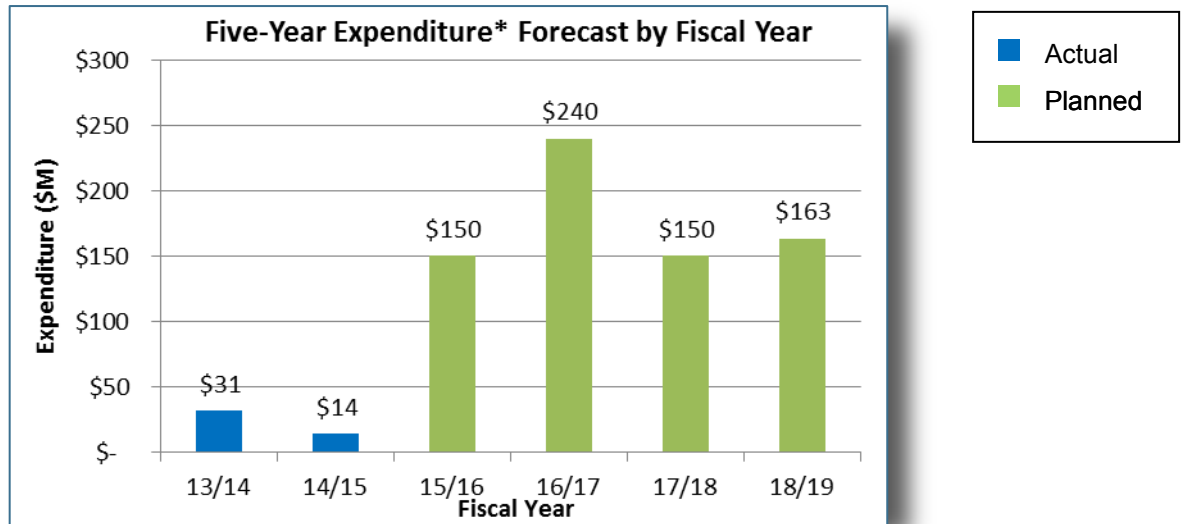


## Program Cost Performance

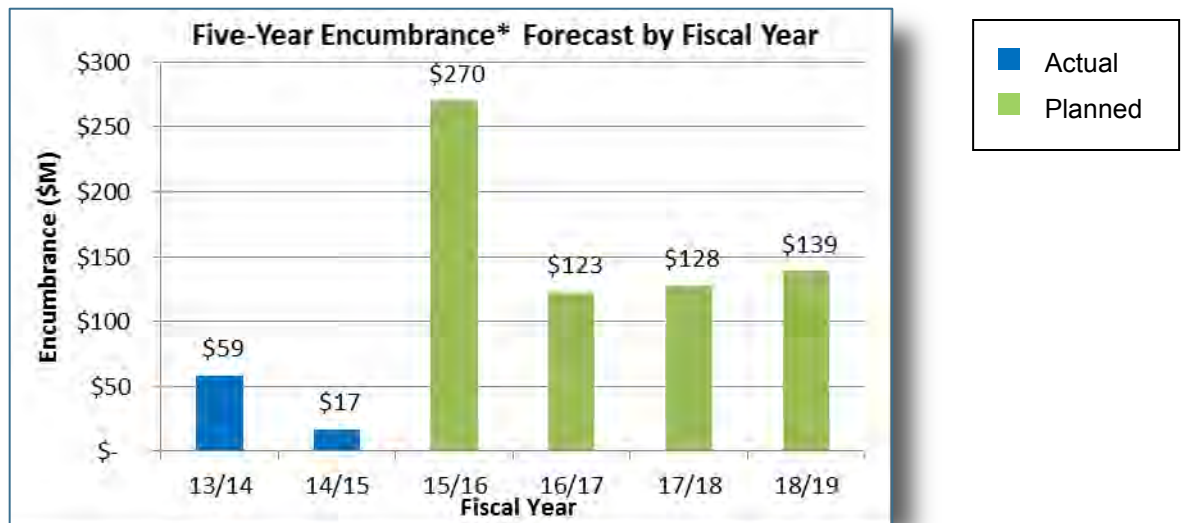
This section provides a summary of CIP cost performance for all construction projects and non-construction activities for FY14-15 and the Five-Year CIP.

### Adopted 2015-2019 CIP Expenditure and Encumbrances

To accommodate the proposed increase in expenditures and encumbrances over the next five years, the City is developing a long-term financial strategy to fund the needed, major capital improvements while minimizing the impact to ratepayers.



\*Expenditure defined as: Actual cost expended associated with services and construction of physical asset which may include encumbered amounts from previous years



\*Encumbrance defined as: Financial commitments, such as purchase orders or contracts, which are chargeable to an appropriation and for which a portion of the appropriation is reserved

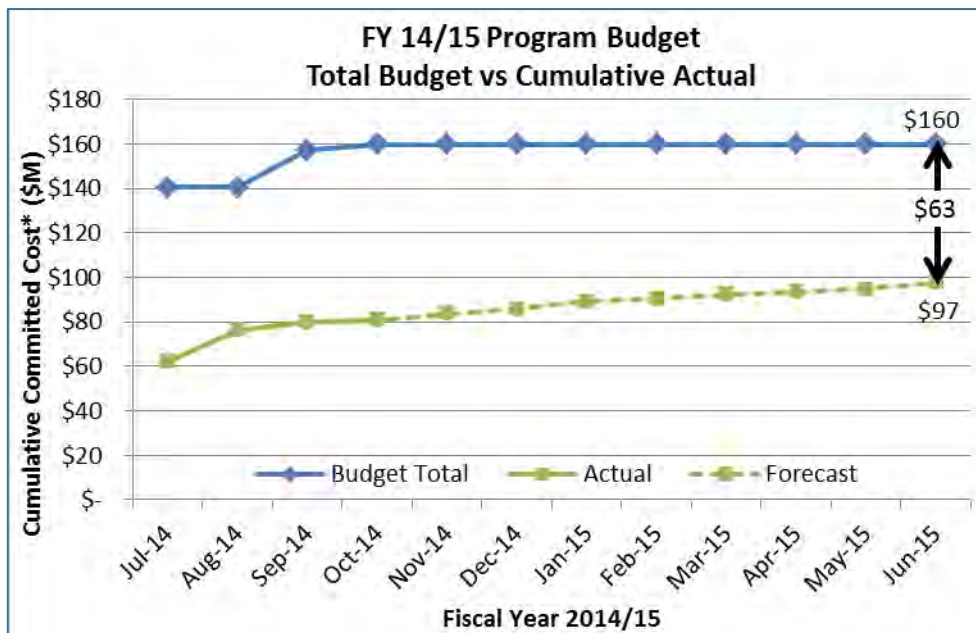


## Fiscal Year 2014-2015 Program Budget Performance

The fiscal year program budget is \$160 million. The budget amount of \$160 million represents the 2014-2015 budget of \$107 million plus carryover of \$53 million. The budget amount excludes reserves, ending fund balance, South Bay Water Recycling, Public Art and Urgent and Unscheduled Rehabilitation items. The budget now includes contingency allowance, which had been excluded from the amount shown in the August report.

The projected year-end variance of approximately \$63 million is primarily due to the following activities that are now expected to occur in FY15-16:

- Award of the Cogeneration Facility design-build contract
- Award of construction contracts for the Iron Salt Feed Station, Plant Instrument Air System Upgrade, and Switchgear S40/G3 Relay Upgrade projects
- Award of design contracts for critical rehabilitation work in the Headworks Improvements and Nitrification Clarifier Rehabilitation projects



\*Committed costs are expenditures and encumbrance balances, including carryover (encumbrance balances from the previous fiscal year).



































## Project Performance

There are currently 13 active projects in the construction or post-construction phase with a further 11 projects in feasibility/development, design or bid and award phases (see PDM graphic at the front of this report). All active projects are listed in the tables below. Projects in the construction phase have cost and schedule baselines established and are monitored using the City's Capital Project Management System (CPMS). These projects have green/red icons included in the table below to indicate whether they are on budget and schedule using the CPMS data as a source.

### Project Performance – Baselined Projects

Project Name	Phase	Estimated Beneficial Use Date <sup>1</sup>	Cost Performance <sup>2</sup>	Schedule Performance <sup>2</sup>
Distributed Control System (DCS) Fiber Optics Network Expansion	Post-Construction	May 2014		
115KV Circuit Breaker Replacement	Post-Construction	Jul 2014		
RWF Street Rehabilitation - Phase III	Construction	Nov 2014		
A5-A6 Nitrification Mag. Meter & Valve Replacement	Construction	Mar 2015		
Filtration Building B2 & B3 Pipe & Valve Replacement	Construction	Mar 2015		
Handrail Replacement - Phase V	Construction	Mar 2015		
BNR-2 Clarifier Guardrail Replacement	Construction	Apr 2015		
Fire Main Replacement - Phase III	Construction	Apr 2015		
Training Trailer Replacement	Construction	May 2015		
Digester Gas Storage Replacement	Construction	Jun 2015		
DCS Upgrade/Replacement	Construction	Jun 2016		
Digester Gas Compressor Upgrade	Construction	Jul 2016		
Emergency Diesel Generators	Construction	Aug 2016		

#### KEY:

<b>Cost:</b>	 On Budget	 >1% Over Budget
<b>Schedule:</b>	 On Schedule	 >2 months delay

#### Notes

- Beneficial Use is defined as when the work is sufficiently complete, in accordance with the contract documents, so that the City can occupy or use the work. Beneficial use dates are being reviewed as part of project schedule reviews.
- An explanation of cost and schedule variances on specific projects identified in this table is provided on page 9.
- Beneficial use dates pending Contractor's Schedule.



## Project Performance – Pre-Baselined Projects

Project Name	Phase	Estimated Beneficial Use Date <sup>1</sup>
Iron Salt Feed Station	Design	Aug 2016
Digester & Thickener Facilities Upgrade	Design	Jun 2018
Cogeneration Facility	Design	Jul 2018
Adv. Facility Control & Meter Repl. Ph. 1	Feasibility/Development	Feb 2016
Plant Instrument Air System Upgrade	Feasibility/Development	Feb 2018
Headworks Improvements	Feasibility/Development	Aug 2019
Digested Sludge Dewatering Facility	Feasibility/Development	Aug 2019
Outfall Bridge and Levee Improvements	Feasibility/Development	Apr 2020
Facility-wide Water Systems Improvements	Feasibility/Development	Jan 2021
Nitrification Clarifiers Rehabilitation	Feasibility/Development	Oct 2021
New Headworks	Feasibility/Development	Oct 2021

### Notes

1. Beneficial Use is defined as when the work is sufficiently complete, in accordance with the contract documents, so that the City can occupy or use the work. Beneficial use dates are being reviewed as part of project schedule reviews.



## Significant Accomplishments

### Headworks Improvements and New Headworks

The projects successfully passed the Approve Project Scope Stage Gate on October 9th. Due to the interdependencies of the two Headworks projects, staff will be procuring a single consultant to provide engineering services for both projects. The Request for Qualifications (RFQ) is being developed and is scheduled to advertise in January 2015.

### Iron Salt Feed Station

The consultant, CH2M HILL, presented the Preliminary Design Report (30% design), including an updated schedule and cost estimate, for City review. Preliminary design is anticipated to be completed in December.

### Biosolids Transition Strategy

The CIP leadership team presented preliminary report conclusions and recommendations to TAC. The final draft report and supporting technical memorandum were submitted for City review and comments, and will be presented to TAC and TPAC in November and Council in December.

### Digester and Thickener Facilities Upgrade

Brown and Caldwell submitted the draft Preliminary Design Report and supporting documents for City review. The project team will be conducting design review workshops in November.

### Digester Gas Compressor Upgrade

The City has reviewed and approved the structural foundation design and calculation for the new gas compressor building. In preparation for the foundation construction, the design-builder, Anderson Pacific Engineering Construction, has provided material and installation procedures for City review and approval. Construction is anticipated to begin in December.

### Emergency Diesel Generators

On October 27<sup>th</sup>, the project team held a full-day partnering workshop between the design-build team, suppliers, CIP staff, and Operations and Maintenance staff. This effort set the foundation for effective communication and issue resolution to successfully deliver the project.

### Cogeneration Facility

On October 4th, the City Council approved the use of the progressive design-build delivery method for the project, in accordance with recently enacted State legislation authorizing its use on certain wastewater facilities. The design-build RFQ is being finalized for issuance in mid-November.

### Programmatic Studies

MWH completed two studies this month: Design Criteria and Sizing Basis and Asset Management Approach and Strategy. The former updated flow and loading projections, developed a liquids stream hydraulic model, and established minimum process design and redundancy criteria that will be used as the basis of design for all capital projects. The latter identified RWF asset management business needs and goals, and recommended initiatives to help staff develop a comprehensive asset management program.

CIP staff executed the service order and issued the Notice to Proceed to Carollo Engineers to begin work on the Aeration Demands and Biosolids Production Assessment study.

CIP staff finalized the scope of the Architectural Guidelines study and the City's architectural team began developing draft design concepts, guidelines and specifications that will inform the architectural design elements of buildings, landscaping and other improvements at the Wastewater Facility. CIP staff also started scoping two supplemental studies that will be performed by consultants and incorporated into the guidelines. The two new studies will evaluate construction traffic impacts and flood protection at the Wastewater Facility. The budget for these three related studies is approximately \$1,040,000.

## Explanation of Project Performance Issues

### A5-A6 Nitrification Mag. Meter & Valve Replacement

In September 2014, during startup, the project discovered that the actuators that had been specified and installed were incompatible with the available power supply. Engineering staff determined it would be more costly to modify the system than to order and install compatible actuators. In addition, O&M staff requested that the actuators match those used in the other clarifiers. The contractor has submitted a proposal for the requested equipment. Because the cost will exceed the project's contingency, staff will need funding approval from Council, which is anticipated in January/February 2015. Beneficial use is expected by the end of March 2015.



# Project Profile

## Nitrification Clarifiers Rehabilitation

The RWF has 16 nitrification clarifiers that were constructed in the 1970's. These clarifiers, together with the aeration basins, are at the core of the RWF treatment process, and need to be operational for decades to come. Performance of the clarifiers directly impacts the performance of the filters, and ultimately the quality of the final effluent.

The clarifiers employ the natural force of gravity to separate solids from the incoming liquid wastewater. Clarifier influent is comprised of effluent from the aeration basins, also called "mixed liquor" (ML). ML enters each of the 16 clarifiers and is distributed throughout the influent launders located along each clarifier's perimeter. Flow is then directed downwards into the tank, and the heavier solids "settle" to the bottom; this sludge is suctioned off the clarifier floor, and discharged through pipes located underneath each clarifier. The liquid effluent that rises to the top of each clarifier overflows into an effluent launder, and ultimately flows to a common channel, heading towards filtration.

Many of the mechanical, structural, and electrical elements associated with the clarifiers are nearing the end of their useful lives. In October 2011, AECOM completed a condition assessment that inventoried and assessed the condition of the clarifier elements, and provided an opinion of the need for repair or replacement of those elements. The condition assessment results, together with input from RWF staff, are helping to inform and generate the overall scope of work for this project. At this time, it is anticipated that all of the mechanical components (clarifier mechanism, piping, valves, flow elements) will require replacement. The two motor control centers (MCCs) dedicated to the clarifiers also need to be replaced. Other minor scope items include concrete repair and miscellaneous site work.

The objective of this project is to implement cost-effective improvements to the nitrification clarifiers to enhance their process efficiency and minimize unscheduled maintenance activities for the next 30 years. Staff anticipates design to begin in fall 2015. Project budget: \$32.4 million.



Figure 2— Picture of Clarifier interior and mechanism



Figure 3 – Aerial View of Nitrification Clarifiers

*Page intentionally left blank*



# Regional Wastewater Facility Treatment – Current Treatment Process Flow Diagram

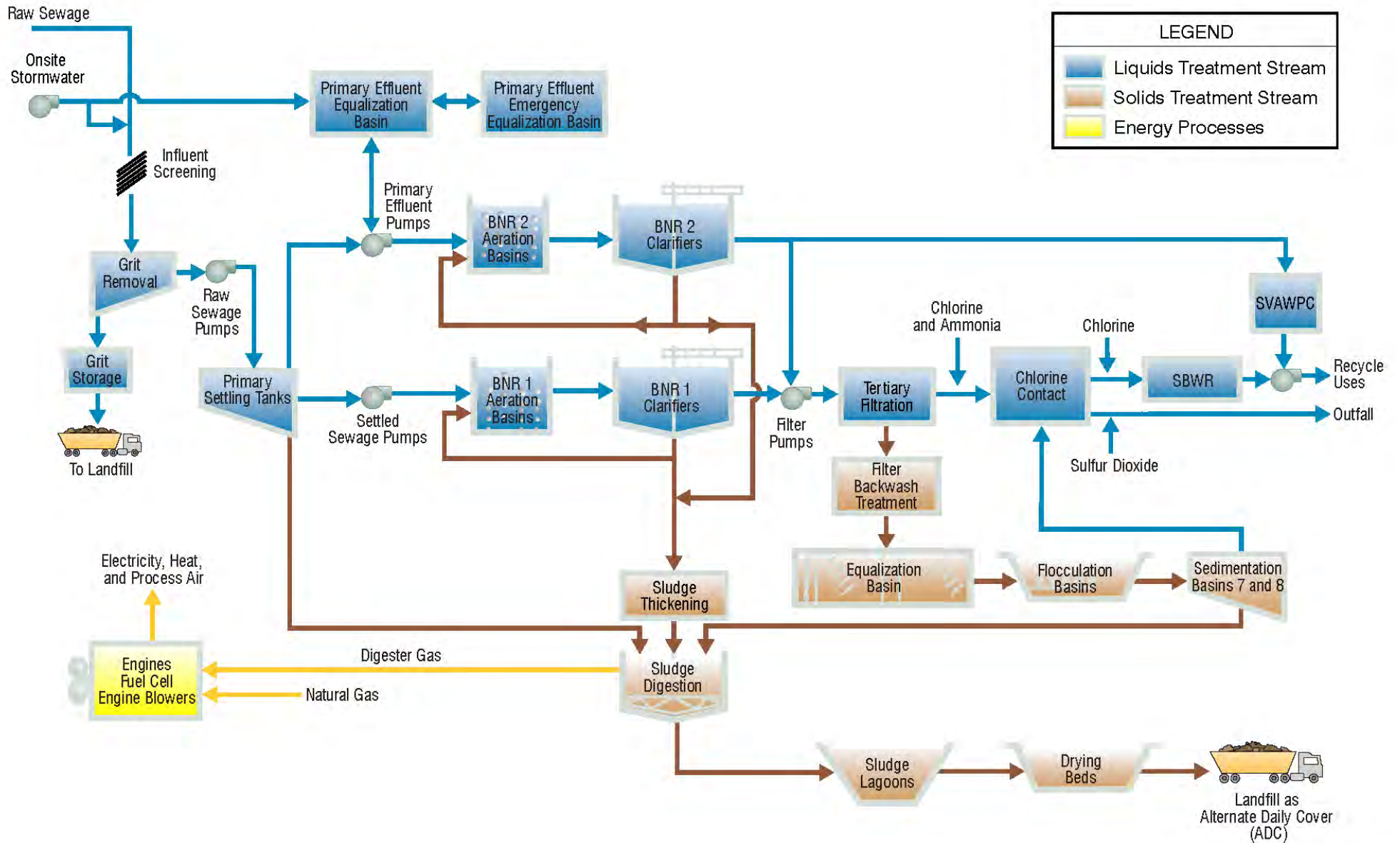


Figure 4—Current Treatment Process Flow Diagram



# Regional Wastewater Facility Treatment – Proposed Treatment Process Flow Diagram

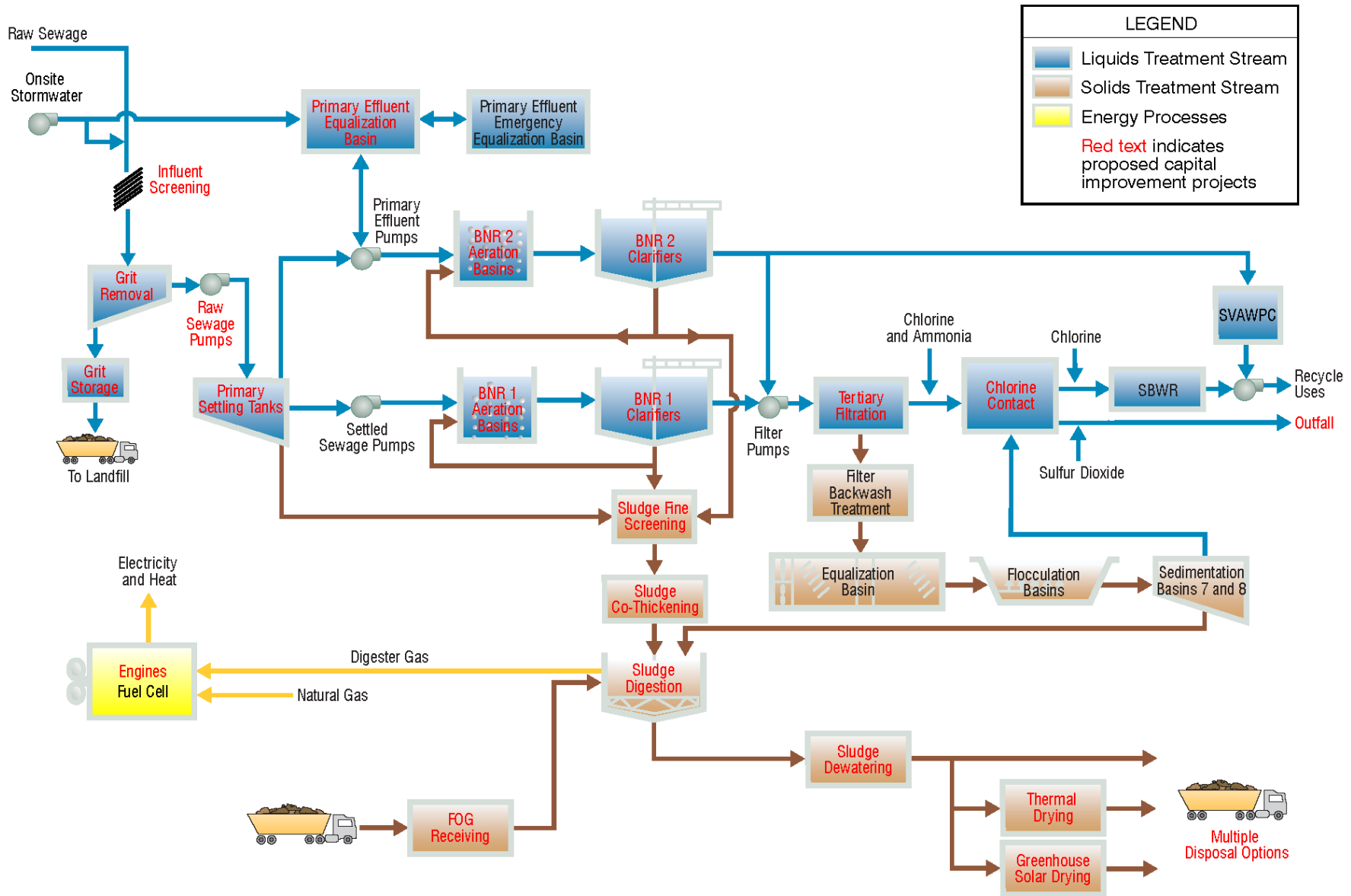


Figure 5—Proposed Treatment Process Flow Diagram



## Active Construction Projects – Aerial Plan

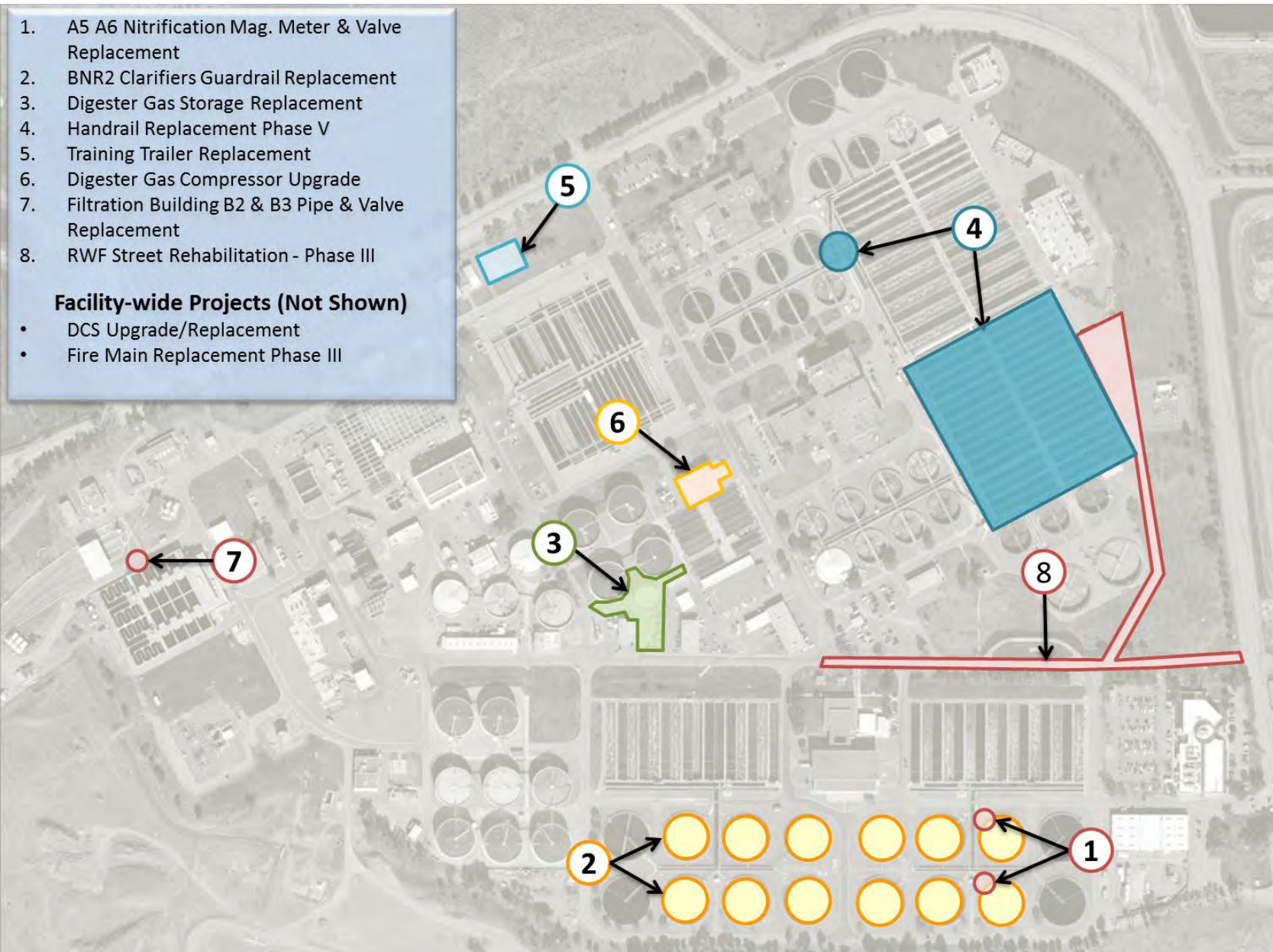


Figure 6—Active Construction Projects





# Memorandum

**TO:** HONORABLE MAYOR AND CITY COUNCIL      **FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** December 5, 2014

Approved

Date

12/8/14

**SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN JOSE AND MCCARTHY TO AMEND CC&Rs FOR THE MCCARTHY PROPERTY ADJACENT TO THE SAN JOSE-SANTA CLARA REGIONAL WASTEWATER FACILITY**

## REASON FOR ADDENDUM

On March 11, 2014, Council directed staff to bring back a process for amending the Declaration of Covenants, Conditions, Restrictions & Agreements ("CC&R") between the City and McCarthy et al. to restrict odor sensitive development. The City Council approved an odor control strategy for the Regional Wastewater Facility on December 2, 2014, which provided the additional information necessary to confirm a process for early termination of CC&R. It is recommended that only the Memorandum of Understanding setting forth the conditions to include in an amendment of the CC&Rs be approved at this time because additional due diligence is required to finalize a valid amendment including securing the consent of all parties to the CC&Rs.

## RECOMMENDATION

Approval of a Memorandum of Understanding between the City of San José and Joseph A. McCarthy and Muriel M. Harris as successor Trustees of the RLM Trust and MGM Trust ("McCarthys") to negotiate an amendment to two Declaration of Covenants, Conditions, Restrictions & Agreements ("CC&Rs") by and among McCarthys, City of San Jose, and Browning-Ferris Industries of California, Inc. and International Disposal Corp. of California, Inc., dated April 17, 1998 and recorded on April 28, 1998, and July 28, 2000, respectively, to provide McCarthys a process for early termination of the CC&Rs following completion of specific conditions.

## **OUTCOME**

Approval of this recommendation would enable the City to enter into a Memorandum of Understanding with McCarthys to negotiate amendments to the CC&Rs to establish a process for early termination of the CC&Rs provided BFI, and the other parties with parcel(s) subject to the CC&Rs, also agree to the amendment.

## **BACKGROUND**

In 1998, the City, Browning-Ferris Industries of California, Inc., International Disposal Corporation of California, Inc., Santa Clara Audubon Society, Inc., City of Milpitas, and McCarthys settled a CEQA lawsuit filed by the City over proposed development of 226 acres of property owned by McCarthys. Specifically, the City was concerned that the proposed development would occur without adequate analysis of the impact of existing odors on new residents and businesses, and the risk of potential new claims related to odor. As part of the comprehensive settlement between the parties, the City entered into two Covenants, Conditions & Restrictions Agreements to purchase odor restrictions to exclude “odor sensitive uses” on real property owned by McCarthys for approximately 68 acres recorded in April 1998, and 139 acres recorded in July 2000. (See attached map for location and proximity to the San José-Santa Clara Regional Wastewater Treatment Facility<sup>1</sup>.) The settlement included the City’s purchase of a 6 acre strip of land from McCarthys located along Coyote Creek and within 500 feet of the biosolid drying beds. “Odor sensitive uses” include residential, including single-family residences, multi-family units, hotels, motels, residence inn or club, boardinghouse, or other similar facility with overnight occupancy; schools; free standing daycare facilities; hospitals, convalescent or nursing care facilities; church, or outdoor amphitheaters.

The City paid as consideration for the settlement approximately \$6,500,000 from San José-Santa Clara Regional Wastewater Treatment Facility funds. While the CC&Rs automatically terminate on March 11, 2048 for the 139 acres and March 11, 2058 for the 68 acres, McCarthys may request early termination between March 11, 2046 and January 1, 2048 provided City, BFI, and McCarthys designate odor experts to confer on whether the occupants of odor sensitive development would be impacted by the odor conditions at that time.

The McCarthys initially requested early termination in 2009 when the City was still developing the Plant Master Plan. The San Jose City Council adopted the Plant Master Plan in November 2013 which includes the biosolids transition project and other odor mitigation projects proposed to be implemented over the next three decades. Staff also plans to develop an Odor Control Implementation Plan by summer 2015. The Odor Control Implementation Plan would establish the boundaries (“fence line”) beyond which the odor would not be above a specified level (“odor mitigation goal”), and provide specific time frames for completion of each odor mitigation

---

<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.

project. In March 11, 2014, the City Council directed Staff to negotiate a process and conditions for early termination of the CC&Rs.

We are informed that since 1998, McCarthys have sold some of the parcels subject to the CC&Rs to new property owners. A closer review of property description of each CC&R would be required to determine if the McCarthys still own parcels subject to one or both CC&R, and whether one or both CC&Rs would be affected. The CC&Rs limit the City's ability to modify or release the CC&Rs in any way without the written consent of all parties to a modification or release including BFI, IDC, and the new property owners.

### ANALYSIS

In July 2014, the City received a proposal from McCarthys to amend the CC&Rs. Staff recommends in the event the CC&Rs are amended by written instrument duly executed and acknowledged by all parties, and duly recorded, that such amendment would incorporate the following material terms as conditions precedent to early termination. These proposed conditions would establish a process for early termination, and were developed with primary consideration of the time frame for the City's Wastewater Facility Capital Improvement Program, and to reduce the risk of future claims against the City.

1. City adoption of an Odor Control Implementation Plan ("OIP") for the San José-Santa Clara Regional Wastewater Facility. The Plan would identify odor mitigation projects, define the odor fence line, and establish the odor mitigation goal and the anticipated timeframe for meeting the odor mitigation goal. The anticipated timeframe for meeting the odor mitigation goal shall be based on initial odor dispersion modeling, and the progress of the Facility Capital Improvement Program.
2. Following the completion of each odor mitigation project, the City will conduct interim odor sampling and confirm that the odor mitigation project meets the design and construction performance requirements. The interim odor sampling will be used to recalibrate the odor dispersion model and anticipated timeframe to meet the odor mitigation goal in the OIP. The City is not responsible for performing sampling in addition to the sampling proposed by the City to test the odor mitigation project's performance, or for payment of the cost thereof. City reserves full discretion to determine (a) whether the odor mitigation project meets the design and construction performance requirements, (b) the odor mitigation project technology, and (c) the process for meeting the odor mitigation goal.
3. Achieve the odor mitigation goal for the San José-Santa Clara Regional Wastewater Facility at the fence line in the OIP after the last odor mitigation project is fully operational, following completion of testing and commissioning, for a minimum period of one (1) year to a maximum period of five (5) years depending on the complexity of the project and time necessary to realize the full impact of odor control measures.

4. The anticipated timeframe for meeting the odor mitigation goal in the OIP may be subject to change based on financing, staffing, contracts, construction, and odor mitigation project performance.
5. Payment to the City an amount equal to the fair market value for termination of the CC&Rs or \$6,500,000, whichever is greater in value at the time the CC&Rs are terminated.

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

The Odor Control Implementation Plan is anticipated to be brought forward for Council consideration in summer 2015.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's website for the next regularly available TPAC and the December 16, 2014, City Council meeting agenda.

### **COORDINATION**

This memorandum was coordinated with the City Attorney's Office.

### **CEQA**

Not a Project, File PP10-069(a), City Organizational and Administrative Activities

/s/  
KERRIE ROMANOW  
Director, Environmental Services

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

Attachments



Exhibit "A" Doc. 15336001

Exhibit "A" Doc. 14160979

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN JOSE AND JOSEPH A. MCCARTHY AND MURIEL M. HARRIS, AS SUCCESSOR TRUSTEES OF THE RLM TRUST AND MGM TRUST RELATING TO AMENDMENT OF THE DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS & AGREEMENTS**

This Memorandum of Understanding ("MOU"), entered into as of \_\_\_\_\_, 2015, is by and between the CITY OF SAN JOSE, a municipal corporation of the State of California ("City"), and JOSEPH A. MCCARTHY and MURIEL M. HARRIS, as Successor Trustees of the RLM TRUST and MGM TRUST (collectively, "McCarthys"). The City and McCarthys shall each be referred to herein as a "Party" and collectively as the "Parties."

**I. RECITALS**

A. The City, Browning-Ferris Industries of California, Inc., International Disposal Corporation of California, Inc., and McCarthys entered into a Declaration of Covenants, Conditions, Restrictions & Agreement dated April 17, 1998 and recorded on April 28, 1998 ("April 1998 CC&R") to limit odor sensitive development and uses for approximately sixty-eight (68) acres of real property owned by McCarthys and more fully described and depicted in Exhibit A hereto.

B. The City, Browning-Ferris Industries of California, Inc., International Disposal Corporation of California, Inc., and McCarthys entered into a Declaration of Covenants, Conditions, Restrictions & Agreement dated April 17, 1998 and recorded on July 28, 2000 ("July 2000 CC&R") to limit odor sensitive development and uses for approximately One hundred and thirty-nine (139) acres of real property owned by McCarthys and more fully described and depicted in Exhibit B hereto.

C. McCarthys are interested in amending the April 1998 CC&R and July 2000 CC&R (collectively "CC&Rs") to allow for termination of the April 1998 CC&R and July 2000 CC&R prior to the March 11, 2058 and March 11, 2048 termination dates, respectively.

D. In 1998, the City paid McCarthys approximately \$6,500,000 with Regional Wastewater Treatment Facility funds as consideration for the CC&Rs and approximately 6 acres of real property.

E. Section 3.3 of each CC&R provides that the "CC&Rs may not be modified or terminated in any respect whatsoever, except with the consent of each of the parties hereto including their successors and assigns, and then only by written instrument duly executed and acknowledged by all of the parties hereto, duly recorded in the office of the recorder of the counties in which the Parcels are located."

F. The City anticipates developing an Odor Implementation Plan by summer 2015 for the San Jose/Santa Clara Regional Wastewater Facility to identify odor mitigation projects, define an odor boundary or fence line, establish an odor mitigation goal, and an anticipated timeframe for meeting the odor mitigation goal.

G. The City is amenable to amending the CC&Rs to provide a process for McCarthys to request early termination of the CC&Rs, provided the amendments to the CC&Rs include the requirement that all of the conditions specified in this MOU are satisfied, and the amendments are duly executed pursuant to Section 3.3 of the CC&Rs by all parties.

## II. UNDERSTANDING

The Parties agree that in the event the CC&Rs are amended by written instrument duly executed and acknowledged by all of the parties to the CC&Rs, and duly recorded, that such amendment will incorporate the following material terms as conditions precedent to early termination:

- A. City adoption of an Odor Implementation Plan for the San Jose/Santa Clara Regional Wastewater Facility. The Plan would identify odor mitigation projects, define the odor fence line, and establish the odor mitigation goal and the anticipated timeframe for meeting the odor mitigation goal. The anticipated timeframe for meeting the odor mitigation goal may be impacted by the odor dispersion modeling, and the progress of the Facility Capital Improvement Program.
- B. Following the completion of each odor mitigation project, the City will conduct interim odor sampling and confirm that the odor mitigation project meets the design and construction performance requirements. The interim odor sampling will be used to recalibrate the odor dispersion model and anticipated timeframe to meet the odor mitigation goal in the Odor Implementation Plan. The City is not responsible for performing sampling in addition to the sampling proposed by the City to test the odor mitigation project's performance, or for payment of the cost thereof. City reserves full discretion to determine (a) whether the odor mitigation project meets the design and construction performance requirements, (b) the odor mitigation project technology, and (c) the process for meeting the odor mitigation goal.
- C. Achieve the odor mitigation goal for the San Jose/Santa Clara Regional Wastewater Facility at the fence line in the Odor Implementation Plan after the last odor mitigation project is fully operational, following completion of testing and commissioning, for a minimum period of one (1) year to a maximum period of five (5) years depending on the complexity of the project and time necessary to realize the full impact of odor control measures.
- D. The anticipated timeframe for meeting the odor mitigation goal in the Odor Implementation Plan may be subject to change based on financing, staffing, contracts, construction, and odor mitigation project performance.
- E. Payment to the City an amount equal to the fair market value for termination of the CC&Rs or \$6,500,000, whichever is greater in value at the time the CC&Rs are terminated.

**III. LEGAL EFFECT**

This Memorandum of Understanding is merely an expression of interest and understanding and is intended to facilitate the negotiations between the City and McCarthys with respect to termination of the CC&Rs. This memorandum shall not be binding upon the Parties and creates no legal obligations on either Party, including any obligation to negotiate or continue negotiations at any stage. Each Party agrees that it has not relied upon negotiations to date and will not rely upon any subsequent negotiations or drafts of agreements to create any legal obligations and each Party agrees that they will not create any legal obligations. Legal obligations will only be created, if at all, by amendments to CC&Rs executed by all Parties to the CC&Rs and as to City, approved by the City Council. Each party shall bear its own costs in connection with this Memorandum of Understanding and any negotiations, documentation, due diligence, or other undertakings prior to the execution and delivery of formal amendments to CC&Rs, whether or not amendments occur.

**WITNESS THE EXECUTION HEREOF** the day and year first hereinabove set forth.

**CITY**

APPROVED AS TO FORM:

The City of San Jose,  
a California charter city

By: \_\_\_\_\_  
ROSA TSONGTAATARII  
Senior Deputy City Attorney

By: \_\_\_\_\_  
TONI J. TABER, CMC  
City Clerk

**MCCARTHYS**

Joseph A. McCarthy and Muriel M. Harris, as successor Trustees of the RLM Trust, a Revocable Trust dated February 12, 1982 as to an undivided one-half (1/2) interest, and Joseph A. McCarthy and Muriel M. Harris, as successor Trustees of the MGM Trust, a Revocable Trust dated December 14, 1982 as to an undivided one-half (1/2) interest

By: \_\_\_\_\_  
JOSEPH A. MCCARTHY

By: \_\_\_\_\_  
MURIEL M. HARRIS



December 1, 2014

TO: Treatment Plant Advisory Committee

SJ: Tributary Agencies Available Plant Capacity - 2014

The Master Agreements require that the Treatment Plant Advisory Committee file annually with the legislative bodies of San Jose, Santa Clara and member agencies a report on plant capacity. The attached report, Tributary Agencies Available Plant Capacity - 2014, has been prepared to satisfy this requirement and to identify each agency's 2014 plant capacity as well as available (unused) capacity.

It is recommended that the Treatment Plant Advisory Committee approve the attached report.

Sincerely,



Kerrie Romanow  
Director  
Environmental Services Department

Attachment

**CITY OF SAN JOSE  
ENVIRONMENTAL SERVICES DEPARTMENT**

**SAN JOSE/SANTA CLARA WATER POLLUTION CONTROL PLANT  
TRIBUTARY AGENCIES' AVAILABLE PLANT CAPACITY - 2014**

**December 2014**

**CITY OF SAN JOSE  
ENVIRONMENTAL SERVICES DEPARTMENT  
SAN JOSE/SANTA CLARA WATER POLLUTION CONTROL PLANT**

**TRIBUTARY AGENCIES' AVAILABLE PLANT CAPACITY - 2014**

This analysis was prepared to comply with the terms of the Master Agreements which require that the operational capacity and productive use of the treatment plant be determined annually. Tables I through IV contain the Plant Capacity, the 2014 Peak Week (5-day average) Flow, and the Remaining Available Capacity for the entire plant and for each individual member for 2014.

**2014 PLANT CAPACITY**

The nominal capacity of the treatment plant during the 2014 peak week is 167 MGD. The agencies' capacity rights in the 167 MGD plant are shown on Tables I through IV and were determined in accordance with the provisions of the Master Agreements.

**2014 PEAK WEEK FLOW**

The 2014 peak dry weather flow of 108.03 MGD occurred during the week of July 14 - 18. Tables I through IV contain the agencies' flow and loadings for the 2014 peak week which were obtained from the following sources:

- WEST VALLEY SANITATION DISTRICT - Wastewater Flow Report dated 9/29/14, submitted by the District.
- CUPERTINO SANITARY DISTRICT - Metered Flow Reports.
- CITY OF MILPITAS - Metered Flow Reports dated 11/26/14, submitted by the City.
- COUNTY SANITATION DISTRICT 2-3 - 2014-2015 Revenue Program.
- BURBANK SANITARY DISTRICT - 2014-2015 Revenue Program.
- CITY of SAN JOSE and CITY of SANTA CLARA - The 2014 Peak Week flow and loadings remaining after subtracting the other agencies' reported flows and loadings are attributed to San Jose and Santa Clara as joint owners of the facilities. These were allocated, in accordance with the 1959 Agreement, to the two cities based on current assessed valuation ratios of 82.494% for San Jose and 17.506% for Santa Clara.

**2014 AVAILABLE CAPACITY**

The Agencies' peak week flows and loadings were subtracted from their capacities in the 167 MGD plant to obtain their 2014 available capacities.

TABLE I

CITY OF SAN JOSE ENVIRONMENTAL SERVICES DEPARTMENT SAN JOSE/SANTA CLARA WATER POLLUTION PLANT TRIBUTARY AGENCIES' AVAILABLE PLANT CAPACITY - 2014				
FLOW				
Agency		2014 Plant Capacity MGD	2014 Peak Week Flow MGD	Available Capacity MGD
San Jose	82.494%	108.706	70.433	38.273
Santa Clara	17.506%	23.069	14.947	8.122
Subtotal	100.000%	131.775	85.380	46.395
West Valley Sanitation District	(1) (3)	11.697	10.242	1.455
Cupertino Sanitary District	(4)	7.850	4.192	3.658
City of Milpitas	(3) (4)	14.250	6.897	7.353
County Sanitation District 2-3	(2)	1.028	1.028	0.000
Burbank Sanitary District		0.400	0.291	0.109
Subtotal		35.225	22.650	12.575
<b>Total</b>		<b>167.000</b>	<b>108.030</b>	<b>58.970</b>
<p>(1) Reflects transfer of capacity from West Valley Sanitation District to San Jose/Santa Clara resulting from annexations as of June 2014.</p> <p>(2) In January 1985, County Sanitation District 2-3 entered into an agreement with the Cities of San Jose and Santa Clara, as joint owners of the plant, electing not to participate in a fixed capacity. Capacity is determined annually in accordance with the methods and restrictions prescribed in the agreement.</p> <p>(3) Reflects transfer of capacity from West Valley Sanitation District to Milpitas in July 2006.</p> <p>(4) Reflects transfer of capacity from Cupertino to Milpitas in January 2009.</p>				

**TABLE II**  
**CITY OF SAN JOSE**  
**ENVIRONMENTAL SERVICES DEPARTMENT**  
**SAN JOSE/SANTA CLARA WATER POLLUTION PLANT**  
**TRIBUTARY AGENCIES' AVAILABLE PLANT CAPACITY - 2014**

**BOD**

Agency		2014 Plant Capacity KLBS/D	2014 Peak Week Flow KLBS/D	Available Capacity KLBS/D
San Jose	82.494%	384.254	194.395	189.859
Santa Clara	17.506%	81.542	41.252	40.290
Subtotal	100.000%	465.796	235.647	230.149
West Valley Sanitation District (1) (3)		28.611	22.267	6.344
Cupertino Sanitary District (4)		16.419	10.561	5.858
City of Milpitas (3) (4)		27.249	16.326	10.923
County Sanitation District 2-3 (2)		2.110	2.110	.000
Burbank Sanitary District		.815	.599	.216
Subtotal		75.204	51.863	23.341
<b>Total</b>		<b>541.000</b>	<b>287.510</b>	<b>253.490</b>

(1) Reflects transfer of capacity from West Valley Sanitation District to San Jose/Santa Clara resulting from annexations as of June 2014.

(2) In January 1985, County Sanitation District 2-3 entered into an agreement with the Cities of San Jose and Santa Clara, as joint owners of the plant, electing not to participate in a fixed capacity. Capacity is determined annually in accordance with the methods and restrictions prescribed in the agreement.

(3) Reflects transfer of capacity from West Valley Sanitation District to Milpitas in July 2006.

(4) Reflects transfer of capacity from Cupertino to Milpitas in January 2009.

TABLE III

**CITY OF SAN JOSE  
ENVIRONMENTAL SERVICES DEPARTMENT  
SAN JOSE/SANTA CLARA WATER POLLUTION PLANT  
TRIBUTARY AGENCIES' AVAILABLE PLANT CAPACITY - 2014**

**SUSPENDED SOLIDS**

Agency		2014 Plant Capacity KLBS/D	2014 Peak Week Flow KLBS/D	Available Capacity KLBS/D
San Jose	82.494%	341.190	174.585	166.605
Santa Clara	17.506%	72.404	37.048	35.356
Subtotal	100.000%	413.594	211.633	201.961
West Valley Sanitation District (1) (3)		27.173	19.232	7.941
Cupertino Sanitary District (4)		16.299	8.433	7.866
City of Milpitas (3) (4)		25.990	11.682	14.308
County Sanitation District 2-3 (2)		2.091	2.091	.000
Burbank Sanitary District		.853	.589	.264
Subtotal		72.406	42.027	30.379
<b>Total</b>		<b>486.000</b>	<b>253.660</b>	<b>232.340</b>

(1) Reflects transfer of capacity from West Valley Sanitation District to San Jose/Santa Clara resulting from annexations as of June 2014.

(2) In January 1985, County Sanitation District 2-3 entered into an agreement with the Cities of San Jose and Santa Clara, as joint owners of the plant, electing not to participate in a fixed capacity. Capacity is determined annually in accordance with the methods and restrictions prescribed in the agreement.

(3) Reflects transfer of capacity from West Valley Sanitation District to Milpitas in July 2006.

(4) Reflects transfer of capacity from Cupertino to Milpitas in January 2009.

TABLE IV

**CITY OF SAN JOSE  
ENVIRONMENTAL SERVICES DEPARTMENT  
SAN JOSE/SANTA CLARA WATER POLLUTION PLANT  
TRIBUTARY AGENCIES' AVAILABLE PLANT CAPACITY - 2014**

**AMMONIA**

Agency		2014 Plant Capacity KLBS/D	2014 Peak Week Flow KLBS/D	Available Capacity KLBS/D
San Jose	82.494%	33.875	23.392	10.483
Santa Clara	17.506%	7.189	4.964	2.225
Subtotal	100.000%	41.064	28.356	12.708
West Valley Sanitation District	(1) (3)	2.825	2.491	.334
Cupertino Sanitary District	(4)	2.287	1.001	1.286
City of Milpitas	(3) (4)	2.847	1.450	1.397
County Sanitation District 2-3	(2)	.280	.280	.000
Burbank Sanitary District		.297	.082	.215
Subtotal		8.536	5.304	3.232
<b>Total</b>		<b>49.600</b>	<b>33.660</b>	<b>15.940</b>

(1) Reflects transfer of capacity from West Valley Sanitation District to San Jose/Santa Clara resulting from annexations as of June 2014.

(2) In January 1985, County Sanitation District 2-3 entered into an agreement with the Cities of San Jose and Santa Clara, as joint owners of the plant, electing not to participate in a fixed capacity. Capacity is determined annually in accordance with the methods and restrictions prescribed in the agreement.

(3) Reflects transfer of capacity from West Valley Sanitation District to Milpitas in July 2006.

(4) Reflects transfer of capacity from Cupertino to Milpitas in January 2009.

**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**

NOVEMBER 1, 2014 - NOVEMBER 30, 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>										
PIPES FOR UNDERGROUND WATER SYSTEM	FY14-15	19291	49886	FERGUSON WATERWORKS	\$75,000	7/1/2014	6/30/2014	\$45,000	\$120,000	ANAEROBIC DIGESTER PLUMBING SYSTEMS REPAIR
SERVICE GRID MAINTENANCE	FY14-15	20185		ABB	\$206,706					
YARD PIPING CONDITION ASSESSMENT PLAN	FY14-15		AC21236	BLACK & VEATCH	\$402,162	11/6/2014	6/30/2015			SERVICE ORDER #10 (MASTER AGREEMENT TERM 3/25/08 - 6/30/15)
AUTOMATION MASTER PLAN	FY14-15		AC21236	BLACK & VEATCH	\$697,924	11/6/2014	140 CALENDAR DAYS / NO LATER THAN 6/30/15			SERVICE ORDER #11 (MASTER AGREEMENT TERM 3/25/08 - 6/30/15)
<b>ONGOING:</b>										
WATER TOXICITY TESTING	FY14-15	19092			\$200,000					
PRODUCT: TRAVELING WATER SCREEN	FY14-15	19795			\$115,122					
SAND BLASTING AND PAINTING AT RWF	FY14-15	20050			\$400,000					

<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)



**TO:** TREATMENT PLANT  
ADVISORY COMMITTEE

**FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** 12-04-14

---

**SUBJECT: BIOSOLIDS TRANSITION STRATEGY FOR THE SAN JOSE-SANTA CLARA REGIONAL WASTEWATER FACILITY**

### INFORMATION MEMO

This memorandum provides information about the discussion and action at the San José City Council meeting held on December 2, 2014, related to the Biosolids transition strategy for the San José-Santa Clara Regional Wastewater Facility.

### BACKGROUND

At the December 2, 2014 San José City Council meeting, the Council reviewed staff recommendations as well as recommendations from the Treatment Plant Advisory Committee (TPAC) on the proposed biosolids transition strategy and provided direction that modified the TPAC recommendations on November 20, 2014.

### ANALYSIS

The San José City Council acknowledged the importance of the long term goal of transitioning out of the current open air lagoons and drying beds as well as the extensive work that has already been done as part of the Plant Master Plan process and thereafter to plan for this transition. The Council agreed with staff and TPAC recommendations related to proceeding with the thermophilic phased anaerobic digestion (TPAD) and deferring the thermal dryer and greenhouse drying facilities but expressed concern about delaying the decision on the digested sludge dewatering facility to fall 2015, as recommended by TPAC.

At the November 20, 2014 TPAC meeting, the TPAC members were specifically looking for modeling and cost information related to the drying beds and lagoons to help inform their decision making on both the incremental cost benefit of various alternatives and the timing of the biosolids transition. TPAC recommended the fall 2015 date in order to complete the full odor control implementation plan (OIP), which includes sampling and odor modeling work as well as

technology recommendations, cost estimates, and implementation schedules for the entire wastewater facility operations.

Odor modeling for all facilities is anticipated to be completed in early 2015. The consultant should be able to estimate odor related costs for the decommissioning of the lagoons and drying beds as well as odor mitigation costs for the proposed dewatering facility in early 2015. This would enable staff to bring the biosolids transition strategy and supplemental odor information back to TPAC and Council in spring 2015, prior to the completion of the full OIP.

Based on this consideration, Council provided the following direction to staff:

1. Proceed with TPAD;
2. Defer the thermal dryer and greenhouse drying facilities; and
3. Bring back all other recommendations once additional odor modeling and odor control cost information on the biosolids transition is available, which is anticipated to be in spring 2015.

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

In accordance with the Council direction, staff will bring back the biosolids transition strategy for TPAC and Council along with updated schedule and cost information for the various components of the transition strategy, which is anticipated to be in spring 2015. The preliminary FY 16-20 CIP budget and the ten-year funding strategy will assume a project start of FY 15-16 for the dewatering facility. Specifically, staff anticipates that the cost for FY 15-16 will be limited to design services for the dewatering facility, but the agreement for design services will not be executed until TPAC and Council have provided direction to either proceed or not proceed with a dewatering facility in spring 2015.

/s/

**KERRIE ROMANOW**  
Director, Environmental Services

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