

**MINUTES OF THE
SAN JOSE/SANTA CLARA
TREATMENT PLANT ADVISORY COMMITTEE**
City Hall, Council Chambers
Thursday, May 14, 2015 at 3:00 p.m.

1. **ROLL CALL**

Minutes of the Treatment Plant Advisory Committee convened this date at 3:02 p.m. Roll call was taken, with the following members in attendance:

Chair: Jamie Matthews; **Committee members:** Sam Liccardo, Pierluigi Oliverio, Margie Matthews, Jose Esteves, John Gatto, Pat Kolstad, David Sykes, Steven Leonardis

2. **APPROVAL OF MINUTES**

A. April 9, 2015

Item 2.A was approved to note and file.

Ayes – 9 (J. Matthews, Liccardo, Oliverio, M. Matthews, Esteves, Gatto, Kolstad, Sykes, Leonardis)

Nays – 0

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

4. **DIRECTORS REPORT**

A. Directors Verbal Report:

- Monthly Progress Report

B. TPAC Meeting Location And Time Change

TPAC Recommendation: On a motion by Committee Member Leonardis and a second by Committee Member Gatto, TPAC approved to keep future TPAC meetings in City Hall room 1734 with the purchase of table top microphones. Committee Member Oliverio opposed this recommendation.

Ayes – 8 (J. Matthews, Liccardo, Gatto, M. Matthews, Esteves, Kolstad, Sykes, Leonardis)

Nays – 1 (Oliverio)

5. **AGREEMENTS/ACTION ITEMS**

A. **Biosolids Transition Strategy**

Staff Recommendation: Accept the following staff recommendations on the Biosolids Transition Strategy for the San José-Santa Clara Regional Wastewater Facility:

- a. Near-term recommendations:
 1. Proceed with implementation of the Digested Sludge Dewatering Facility and the Lagoon and Drying Bed Retirement projects as shown in the 2015-2016 Proposed Capital Budgets and 2016-2020 Capital Improvement Program.
 2. Locate the Digested Sludge Dewatering Facility at Site A.
 3. Direct staff to bring back recommendations on the size and makeup of the Biosolids Management Team (BMT) for City Council consideration as part of the annual budget process for 2016-2017.
- b. Long-term recommendations:
 1. Implement any future on-site processing facilities considering conditions at the time including starting small with pilots, demonstrations, and phasing and potentially participating in regional facilities and emerging technologies.

On a motion by Committee Member Sam Liccardo and a second by Committee Member Margie Matthews, TPAC approved to adopt the staff recommendation for item 5.A with two opposed: John Gatto and Steven Leonardis.

TPAC Referral: Staff to analyze options relating to a Community Facilities District; including analysis under Proposition 218, whether we have any risk in putting burdens on rate payers who live outside of the odor impact area.

Ayes – 7 (J. Matthews, Liccardo, Oliverio, M. Matthews, Esteves, Kolstad, Sykes)

Nays – 2 (Gatto, Leonardis)

The proposed Strategy is scheduled for Council consideration on June 2, 2015.

David Wall spoke against this item.

B. **San José – Santa Clara Regional Wastewater Facility Ten-Year Funding Strategy**

Staff Recommendation:

1. Accept the staff report on the San José – Santa Clara Regional Wastewater Facility (RWF) Ten-Year Funding Strategy.
2. Approve staff recommendation to have all agencies contribute to a 60 day operating reserve beginning in FY 2016-17; direct staff to continue to work with all agencies on optimal reserve levels for operating purposes.

3. Direct staff to pursue State Revolving Fund loans for RWF capital improvement projects to the maximum extent possible.
4. Direct staff to continue to work with City of Santa Clara (Santa Clara) and all tributary agencies to confirm participation in a commercial paper program and/or long term revenue bonds through the Clean Water Financing Authority (CWFA), by August 2015.
5. Direct staff to work with Santa Clara and all tributary agencies to amend the 1983 Master Agreement to incorporate terms related to operating reserve contributions, as well as terms related to financing of the RWF improvements through the CWFA.

On a motion by Committee Member Pat Kolstad and a second by Committee Member Sam Liccardo, TPAC unanimously approved to adopt the staff recommendation for item 5.B.

Ayes – 9 (J. Matthews, Liccardo, Oliverio, M. Matthews, Esteves, Gatto, Kolstad, Sykes, Leonardis)

Nays - 0

The proposed Strategy is scheduled for Council consideration on May 19, 2015.

David Wall spoke against this item.

C. San Jose/Santa Clara Water Pollution Control Plant 2016-2020 Proposed Capital Improvement Program

Staff Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2016-2020 Proposed Capital Improvement Program

The San Jose/Santa Clara Water Pollution Control Plant 2016-2020 Proposed Capital Improvement Program is scheduled for Council consideration on June 9, 2015, and for adoption on June 16, 2015.

D. San Jose/Santa Clara Water Pollution Control Plant 2015-2016 Proposed Operating and Maintenance Budget

Staff Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2015-2016 Proposed Operating and Maintenance Budget

The San Jose/Santa Clara Water Pollution Control Plant 2015-2016 Proposed Operating and Maintenance Budget is scheduled for Council consideration on June 9, 2015, and for adoption on June 16, 2015.

On a motion by Committee Member Steven Leonardis and a second by Committee Member Pat Kolstad, TPAC unanimously approved to adopt the staff recommendation for item 5C & 5.D.

David Wall spoke against item 5.C and 5.D.

- E. San José – Santa Clara Regional Wastewater Facility Capital Improvement Program Semiannual Status Report

Staff Recommendation: Accept the semiannual status report on the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program (CIP) for the period July through December 2014.

On a motion by Committee Member Pat Kolstad and a second by Committee Member Sam Liccardo, TPAC unanimously approved to adopt the staff recommendation for item 5.E.

The proposed Status Report is scheduled for Council consideration on June 2, 2015.

David Wall spoke against this item.

- F. Approval of an Amendment for Legal Services Agreement for Regional Wastewater Facility Capital Program

Staff Recommendation: Approve a First Amendment to the legal services contract with Hawkins, Delafield & Wood LLP, to increase the amount of compensation for the initial one-year term in the amount of compensation for each of the two one-year option terms from \$160,000 to \$300,000, subject to appropriation of funds by City Council, for a total contract amount not to exceed \$1,000,000 to support the San José-Santa Clara Regional Wastewater Facility capital improvement program.

On a motion by Committee Member Margie Matthews and a second by Committee Member Sam Liccardo, TPAC unanimously approved to adopt the staff recommendation for item 5.F.

The proposed Amendment is scheduled for Council consideration on May 19, 2015.

6. **OTHER BUSINESS/CORRESPONDENCE**

- A. Letter from the City of Milpitas regarding Recycled Water Availability and Reliability
- B. Informational Memorandum - Pond A18 Emergency Replacement Update

- C. Informational Memorandum – Status of Regional Wastewater Facility Ten-Year Funding Strategy

Jim Stallman spoke on item 6.A.
David Wall spoke on item 6B.

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

- A. Second Amendment to the Master Agreement with CDM Smith for Engineering Services for the San José-Santa Clara Water Pollution Control Plant Improvement Program

Staff Recommendation: Approve the Second Amendment to the Master Agreement with CDM Smith, for engineering services for the San José-Santa Clara Regional Wastewater Facility, increasing the amount of compensation by \$75, 000, for a total agreement amount not to exceed \$1,575,000, and extending the term from June 30, 2015 to December 31, 2016.

The proposed Amendment was heard and approved by Council on April 14, 2015.

- B. South Bay Water Recycling Strategic Master Plan Report

Staff Recommendation:

2. Accept the South Bay Water Recycling (SBWR) Strategic and Master Planning report for near term reliability projects for the South Bay Water Recycling Program; and
3. Direct staff to evaluate opportunities to collaborate with the Santa Clara Valley Water on the long term strategies identified in the Strategic and Master Planning report for potable reuse of recycled water

The proposed Master Plan Report was heard and approved by Council on April 21, 2015.

David Wall spoke against this item.

- C. Wholesale Recycled Water Rates for FY 2015-16

Staff Recommendation: Adopt a resolution to standardize the discount rate at \$105 per acre foot for the wholesale recycled water service rates for the South Bay Water Recycling Program effective July 1, 2015, superseding Resolution No. 76964.

The proposed Resolution was heard and approved by Council on April 21, 2015.

David Wall spoke against this item.

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.

Ayes – 9 (J. Matthews, Liccardo, Oliverio, M. Matthews, Esteves, Gatto, Kolstad, Sykes, Leonardis)

9. **MISCELLANEOUS**

The next TPAC meeting is May 14, 2015, at 4:30 p.m. City Hall, Room 1734.
(This is subject to change pending discussion of item 4.B.)

10. **PUBLIC COMMENT**

David Wall spoke on various items.

11. **ADJOURNMENT**

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



Jamie Matthews, Chair
TREATMENT PLANT ADVISORY COMMITTEE