

**MINUTES OF THE
SAN JOSÉ/SANTA CLARA
TREATMENT PLANT ADVISORY COMMITTEE**
City Hall, Council Chambers
Thursday, August 11, 2016 at 4:00 p.m.

1. **ROLL CALL**

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

Committee Members: Debi Davis (alternate), Jose Esteves, Pat Kolstad, Patrick Kwok (alternate), Sam Liccardo, Manh Nguyen, Pierluigi Oliverio, Dave Sykes

Absent: Committee Members John Gatto, Steven Leonardis, and Jerry Marsalli

2. **APPROVAL OF MINUTES**

A. June 9, 2016

Item 2.A. was approved to note and file.

Ayes – 8 (Davis, Esteves, Kolstad, Kwok, Liccardo, Nguyen, Oliverio, Sykes)

Nayes – 0

Absent – 1 (Leonardis)

Assistant Director Ashwini Kantak noted that the “Ayes” for Item 5.A. was modified; an amended version of the minutes was distributed on August 9, 2016.

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

4. **DIRECTORS REPORT**

A. Directors Report (verbal)

- Monthly Progress Report
- Owner Controlled Insurance Program Update

Assistant Director Ashwini Kantak provided an update on several items:

1) **Monthly Progress Report:** Staff was able to encumber over \$200 million for Fiscal Year 2015-2016.

2) **Incidental Discharge:** The Regional Wastewater Facility (RWF) inadvertently released about 950,000 gallons of secondary treated wastewater that bypassed the filtration and disinfection process. This occurred on July 20, 2016 for about seven minutes at 8:19 A.M. The discharge did not exceed any National Pollutant Discharge Elimination Permit limits because it had already been treated in the primary and secondary processes by the time it entered into the San Francisco Bay. There were no public or environmental risks. Staff continued to take precautionary measures after the incident to prevent future harm. This included: patrolling the slough areas; checking on wildlife; tagging valves for use only in emergency situations; updating Operation and

Maintenance manuals; and notifying state and federal regulatory agencies.

- 3) **Digester Groundbreaking Ceremony:** This event is scheduled on August 24, 2016 from 1- 1:30 PM. at RWF; it will commemorate the first major capital investment in modernizing the facility.
- 4) **“Utility of the Future” Award:** The RWF was recognized for exceptional performance for showing success in innovative and sustainable practices. Sixty-one utilities were selected across the United States, Canada, and Denmark. A formal celebration will be held at the upcoming Weftec Conference.
- 5) **Mediation:** Mediation between the Owners and Tributary Agencies is scheduled for a 60-day period beginning September 14, 2016.
- 6) **Chris De Groot:** Ms. Kantak congratulated Chris on his retirement and thanked him for his work on the Technical Advisory Committee.

Risk and Insurance Manager Stephanie Williams presented a Power Point for the Owner Controlled Insurance Program (OCIP) Update. The presentation covered the structure of OCIP, compared it to traditional forms of insurance, described the various considerations and benefits of OCIP, and outlined next steps.

Finance and the Environmental Services Department will bring a recommendation forward to TPAC in one or two months. Ms. Kantak clarified for Committee Member Kwok that OCIP will only apply for projects at RWF, not City-wide. Committee Member Esteves asked (1) if member cities would be included in the distribution of payment for unforeseen losses, and (2) where OCIP is defined in the Master Agreements.

Ms. Williams and Ms. Kantak stated that the cost of delivering a project would entail paying for insurance either through OCIP or traditional insurance. Insurance is not specifically referenced in the Master Agreements, however all costs for capital projects would be allocated in accordance with the Master Agreements.

Chair Liccardo inquired why insurance was not sought for the digester project. Ms. Williams and Ms. Kantak indicated that timing was the primary factor; the digester project was already underway and could not be delayed until the feasibility study for OCIP had been completed.

5. AGREEMENTS/ACTION ITEMS

- A. Report on Bids and Award of Construction Contract for 7617 – Plant Instrument Air Upgrade Project at the San Jose- Santa Clara Regional Wastewater Facility

Staff Recommendations:

- (a) Adopt a resolution approving the San José- Santa Clara Regional Wastewater Facility Plant Instrument Air System Upgrade Project Initial Study/Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program (File No. PP150114).
- (b) Report on bids and award of construction contract for 7617 – Plant Instrument Air System Upgrade to the low and only bidder, Anderson Pacific Engineering Construction, Inc., in the amount of \$2,848,000, and approve a 15 percent construction contingency in the amount of 427,200.
- (c) Adopt a resolution authorizing the Director of Public Works to execute one or more change orders in excess of \$100,000 for the remaining duration of the Plant Instrument Air System Upgrade Project, not to exceed the total contingency amount approved for the Project.

This item is scheduled for consideration by the City Council on August 23, 2016.

Program Manager Colin Page presented a Power Point.

Committee Member Kwok shared his support for this project; Anderson Pacific Engineering Construction is a well-known, local company, and money would get invested back into Santa Clara County.

Committee Member Esteves expressed that his opposition was due to the fact that amendments to the Master Agreements have not been negotiated.

On a motion made by Committee Member Kwok and a second by Committee Member Kolstad, TPAC recommended approval of staff's recommendations for Item 5.A.

Ayes – 7 (Davis, Kolstad, Kwok, Liccardo, Nguyen, Oliverio, Sykes)

Nays – 1 (Esteves)

Absent – 1 (Leonardis)

6. OTHER BUSINESS/CORRESPONDENCE

7. STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC

- A. Actions related to the March 24, 2016 Hearing on the Tributary Agencies' Claims of Breach of Agreement and Inequities

Staff Recommendations:

- (d) Adopt a Resolution setting forth the San José/Santa Clara Treatment Plant Advisory Committee's (TPAC) report, findings, and recommendations following the March 24, 2016, hearing before TPAC on the Claims of Breach of Agreement

and Inequities filed on January 22, 2016 by West Valley Sanitation District, Burbank Sanitary District No. 2-3, and the City of Milpitas (Tributary Agencies); and

- (e) Direct the Secretary of TPAC to distribute to the legislative bodies of the Tributary Agencies, the City of San Jose, and the City of Santa Clara a copy of TPAC's Resolution.

TPAC adopted the proposed Resolution on June 9, 2016. Senior Deputy City Attorney Jennifer Pousho sent the revised claim report to TPAC Liaison Melrose Cacal for distribution.

B. Report on Bids and Award of Contract for 7987 – Construction Enabling Project

Staff Recommendations:

- (a) Adopt a resolution approving the Construction-Enabling Improvements Project Addendum to the San José/Santa Clara Water Pollution Control Plant Master Plan Environmental Impact Report (SCH# 2011052074) and related Mitigation Monitoring and Reporting Program (File No. PP15-120).
- (b) Report on bids and award of contract for the 7987- Construction- Enabling Improvements Project to the low bidder, Teichert Construction, Inc., for the base bid of \$3,124,885 and Add Alternate No. 2 in the amount of \$11,025 for a total amount of \$3,135,910 and approval of a 10 percent contingency in the amount of \$314,000.
- (c) Adopt a resolution authorizing the Director of Public Works to execute one or more change orders in excess of \$100,000 for the duration of the Construction Enabling project, not to exceed the total contingency amount approved for the project.
- (d) Adopt the following 2015-2016 Appropriations Ordinance amendments in the San Jose- Santa Clara Treatment Plant Capital Fund:
 - (1) Decrease the Urgent and Unscheduled Treatment Plant Rehabilitation appropriation to the Environmental Services Department by \$455,000; and
 - (2) Increase the Construction-Enabling Improvements appropriation to the Environmental Services Department by \$455,000.

The proposed resolutions were adopted by the City Council on June 21, 2016.

C. Master Consultant Agreements with Brown & Caldwell for Engineering Services for the 8001 – Aeration Tanks Rehabilitation Project and 8073 – Blower Improvements Project at the San Jose- Santa Clara Regional Wastewater Facility

Staff Recommendation: Approve a Master Consultant Agreements with Brown and Caldwell to provide engineering services for the 8073 – Blower Improvements Project and 8001- Aeration Tanks Rehabilitation Project at the San José-Santa Clara Regional Wastewater Facility from the date of execution through December 21, 2024, in an initial amount not to exceed \$7,900,000, subject to the appropriation of funds.

The proposed recommendation was approved by the City Council on June 21, 2016.

- D. Amendments to the Master Consultant Agreements with CDM Smith and Kennedy/Jenks for Engineering Services for the Projects in the San Jose- Santa Clara Regional Wastewater Facility Capital Improvement Program

Staff Recommendations:

- (a) Approve an amended and restated master consultant agreement with CDM Smith, Inc. for engineering and construction management services for the 7701-Headworks Project, with no extension to the term or increase to the maximum total compensation.
- (b) Approve an amended and restated master consultant agreement with Kennedy/Jenks Consultants, Inc. for engineering services for the 7448 – Filter Rehabilitation Project, with no extension to the term or increase to the total maximum total compensation.

The proposed recommendations were approved by the City Council on June 14, 2016.

- E. Master Agreements with Kennedy/Jenks Consultants, Inc. and MNS Engineers, Inc. For Construction Management and Inspection Services for the San Jose- Santa Clara Regional Wastewater Facility Capital Improvement Program

Staff Recommendation: Approve master consultant agreements with Kennedy/Jenks Consultants, Inc., and MNS Engineers, Inc., for construction management and inspection services for various capital improvement projects at the San José- Santa Clara Regional Wastewater Facility, from the date of execution through June 30, 2024, in a total amount not to exceed \$8,000,000 for each agreement, subject to the appropriation of funds.

The proposed recommendation was approved by the City Council on June 21, 2016.

- F. Master Consultant Agreements with Hazen and Sawyer Value Management Strategies, Inc. for 8095- Value Engineering and Peer Review Services for the San Jose- Santa Clara Regional Wastewater Facility Capital Improvement Program

Staff Recommendation: Approve the master consultant agreements with Hazen and Sawyer, and Value Management Strategies, Inc. to provide value engineering and peer review services for the Capital Improvement Program at the San José- Santa Clara Regional Wastewater Facility from the date of execution through June 30, 2021, in a total amount not to exceed \$5,000,000 for each agreement subject to the appropriation of funds.

The proposed recommendation was approved by the City Council on June 21, 2016.

G. Execute a Purchase Order with Tucker Construction, Inc.

Staff Recommendations: Adopt a resolution authorizing the City Manager to:

- (1) Execute a Purchase Order Tucker Construction (San Jose, CA) to provide all labor, material, and equipment to perform expansion joint and concrete maintenance and repair services at the Regional Wastewater Facility for the term June 22, 2016 through June 21, 2017, in an amount not to exceed \$300,000;
- (2) Approve a contingency of \$50,000 in the event that additional repairs are required.
- (3) Exercise up to four, one-year options to extend the term through June 30, 2021, with any price increases subject to the approval by the City and subject to the annual appropriation of funds.

The proposed resolution was adopted by the City Council on June 21, 2016.

All items under Section 7 were approved to note and file.

Ayes – 8 (Davis, Esteves, Kolstad, Kwok, Liccardo, Nguyen, Oliverio, Sykes)

Nays – 0

Absent – 1 (Leonardis)

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 of services between \$100,000 and \$270,000.

Item 8.A. was approved to note and file.

Ayes – 8 (Davis, Esteves, Kolstad, Kwok, Liccardo, Nguyen, Oliverio, Sykes)

Nays – 0

Absent – 1 (Leonardis)

9. MISCELLANEOUS

- A. The monthly TPAC Meeting is September 8, 2016, at 4:00 p.m., City Hall, Room 1734. **Please note new start time.**

10. OPEN FORUM

11. ADJOURNMENT

A. The Treatment Plant Advisory Committee adjourned at 4:27 p.m.



Sam Liccardo, Chair
TREATMENT PLANT ADVISORY COMMITTEE