



TREATMENT PLANT ADVISORY COMMITTEE
2021-2022 Proposed Operating & Maintenance Budget
and
2022-2026 Proposed Capital Improvement Program
Item 5. B & C **May 20, 2021**



**San José-
Santa Clara
Regional
Wastewater
Facility**

2021-2022 Proposed Operating Budget

2021-2022 Proposed Budget: \$123.9M

	FY 20-21 Adopted	FY 21-22 Proposed	Percent Change
Operating Fund Budget	\$155,187,323	\$123,985,417	(20.1%)
Authorized Positions	368.16	372.75	1.2%

2021-2022 Proposed Operating Budget

2021-2022 Estimated Cost Distribution

2021-2022 Est. Gallons Treated (MG)*	% of Total Sewage Treated	City/District	2021-2022 Projected Costs
25,499.396	63.451	San Jose	\$78,669,987
4,694.50	15.332	Santa Clara	\$19,009,444
3,469.668	9.192	West Valley SD	\$11,396,741
1,898.657	5.384	Cupertino SD	\$6,675,375
2,028.06	5.458	Milpitas	\$6,767,124
353.377	0.954	CSD 2 and 3	\$1,182,821
84.974	0.229	Burbank SD	\$283,927
38,028.632	100.000	Total	\$123,985,417

* Estimated discharges based upon data submitted by agencies and have not been validated

2021-2022 Proposed Operating Budget

2021-2022 Budget Actions

- **SBWR System Maintenance and Operations**
- **Process Control Staffing Increase**
- **Wastewater Treatment Chemical Budget**
- **Environmental Enforcement Data Management System (EEDMS) Replacement**
- **RWF Laboratory Staffing Overhaul**
- **RWF CIP Staffing Changes**
- **Recruitment Staffing**

2021-2022 Proposed Operating Budget

FY 20-21 Wastewater O&M Highlights

- **New Cogeneration Project Startup**
- **DAFT Startup**
- **Process Shutdowns**
- **Recruitment**
- **Critical Infrastructure Maintenance**

2022-2026 Proposed CIP: \$1.18 billion

2022-2026 Estimated CIP Cost Distribution

City/District (a)	5-Year CIP Cost Allocation (b)	Debt Service San José only Financing (c)	Total 5-Year CIP * (d=b+c)
San Jose	\$527,023,742	\$383,432,000	\$910,455,742
Santa Clara	\$126,764,517	\$0	\$126,764,517
West Valley SD	\$48,973,310	\$0	\$48,973,310
Cupertino SD	\$31,285,782	\$0	\$31,285,782
Milpitas	\$53,676,522	\$0	\$53,676,522
CSD 2 and 3	\$3,967,231	\$0	\$3,967,231
Burbank SD	\$1,698,896	\$0	\$1,698,896
Total	\$793,390,000	\$383,432,000	\$1,176,822,000

* Total does not include contributions to Equipment Replacement Reserve

2022-2026 Proposed CIP: \$1.18 billion

- \$732 million allocated for construction
 - Liquids: \$298 million, 13 projects
 - Biosolids: \$212 million, 3 projects
 - Power & Energy: \$2 million, 1 projects
 - Facilities: \$202 million, 14 projects
 - Other: \$17 million
- \$66 million for non-construction
- \$383 million in San Jose only debt service
- \$15 million in ending fund balance

Guiding Principles / Budget Strategies

Program-level Approach

- Strive to provide predictability for five-year CIP
- Use project prioritization matrix to guide decisions
- Defer less critical projects, if needed
- Use program cost estimating guidelines

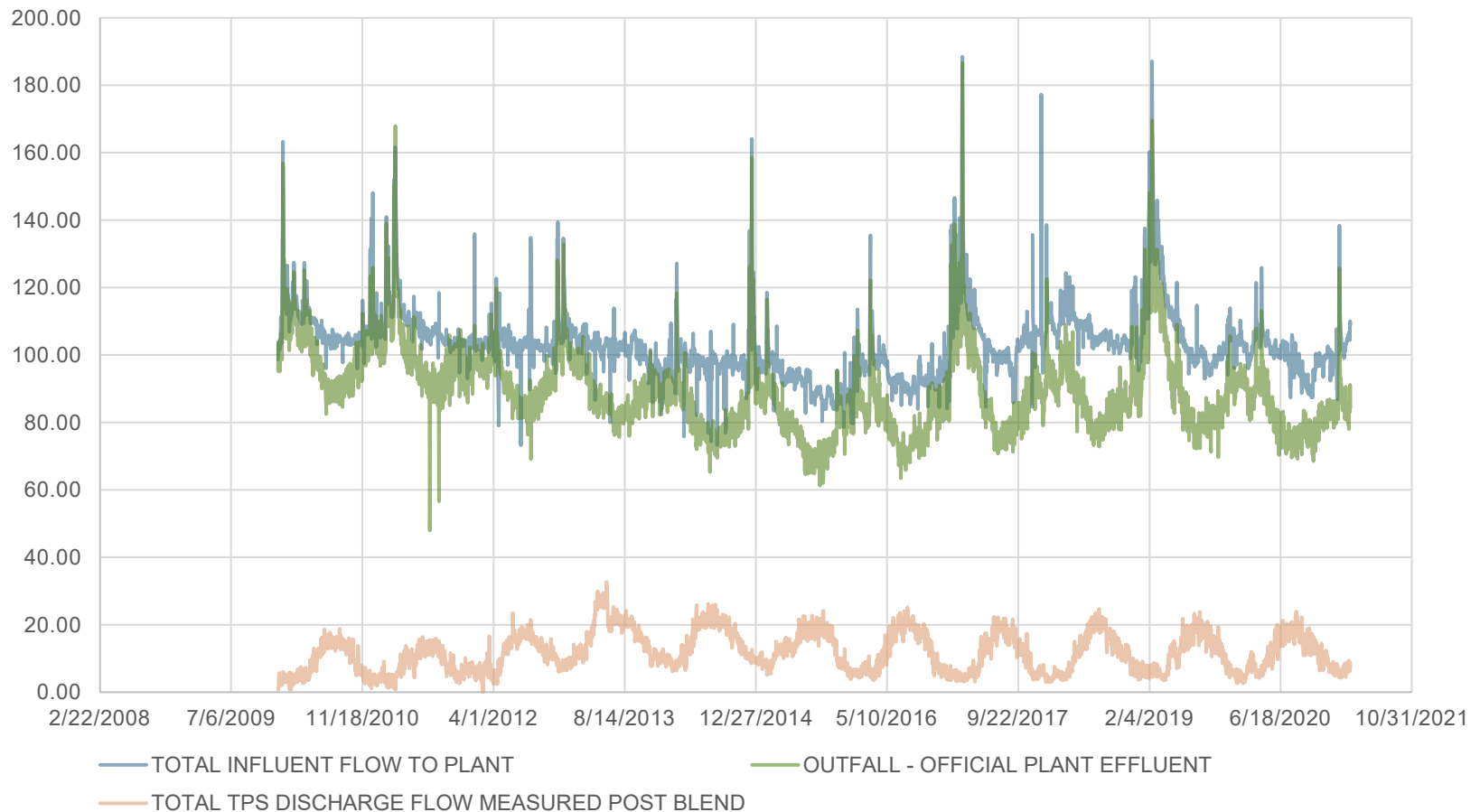
Project-level Approach

- Use phased construction awards and add alternates, if needed, to keep within fiscal year budget
- Conduct value engineering and scope prioritization

Major Changes between 2021-25 and 2022-26

- Adopted: \$1.21 billion vs. Proposed: \$1.18 billion
 - \$29 million net decrease
- Facility-wide Water System Improvements
- Digester and Thickener Facilities Upgrades

RWF Influent, Effluent and Recycle Water



Delivering world-class utility services and programs to improve our health, environment, and economy.

Program Successes

- Facility continues to effectively operate and rebuild even with challenge of COVID-19
- Operating 24/7 with no Permit Violations
- 31 Capital Projects initiated
- 11 Capital Projects Completed
- 1,000,000 hours of construction work without any reportable incident
- Ongoing protection of lower South Bay

Questions?

