



TREATMENT PLANT ADVISORY COMMITTEE
2022-2023 Proposed Operating & Maintenance Budget
and
2023-2027 Proposed Capital Improvement Program

May 19, 2022



San José-
Santa Clara
Regional
Wastewater
Facility

2022-2023 Proposed Operating Budget

2022-2023 Proposed Budget: \$128M

	FY 21-22 Adopted	FY 22-23 Proposed	Percent Change
Operating Fund Budget	\$129,035,641	\$128,204,943	(0.6%)
Authorized Positions	372.75	377.41	1.3%

2022-2023 Proposed Operating Budget

2022-2023 Estimated Cost Distribution

2022-2023 Est. Gallons Treated (MG)*	% of Total Sewage Treated	City/District	2022-2023 Projected Costs
25,499.396	63.451	San Jose	\$81,347,318
4,694.500	15.332	Santa Clara	\$19,656,382
3,469.668	9.192	West Valley SD	\$11,784,598
1,898.657	5.384	Cupertino SD	\$6,902,554
2,028.060	5.458	Milpitas	\$6,997,426
353.377	0.954	CSD 2 and 3	\$1,223,075
84.974	0.229	Burbank SD	\$293,589
38,028.632	100.000	Total	\$128,204,943

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

2022-2023 Proposed Operating Budget

2022-2023 Budget Actions

- **Laboratory equipment replacement/upgrade**
- **Organizational Changes and Project Management**
- **Consultant Support for EEDMS**
- **Asset Management Reorganization**
- **Asset Management Financial Analyst**
- **Plantwide Non-Personnel Services Support**
- **Process Control Staffing & Contract Services**
- **Regulatory Permitting Fee**
- **Staffing for Regulatory requirements for CEC**
- **SBWR Operational Improvements**

FY 21-22 Wastewater O&M Highlights

- **Thermophilic Digesters Startup**
- **AFCMR Phase I and Phase II**
- **Plant Air Blower upgrades**
- **115kV substation maintenance**
- **Distributed Controls Systems upgrade**
- **Critical Infrastructure Maintenance**

2023-2027 Proposed CIP: \$928 million*

2023-2027 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	\$318,845,287	\$444,698,000	\$763,543,287
Santa Clara	\$77,069,941	\$0	\$77,069,941
West Valley SD	\$30,580,993	\$0	\$30,580,993
Cupertino SD	\$19,713,290	\$0	\$19,713,290
Milpitas	\$34,210,070	\$0	\$34,210,070
CSD 2 and 3	\$2,489,547	\$0	\$2,489,547
Burbank SD	\$1,055,872	\$0	\$1,055,872
Total	\$483,965,000	\$444,698,000	\$928,663,000

* Fund 512 only

2023-2027 Proposed CIP: \$928 million*

- \$424 million allocated for construction
 - Liquids: \$207 million, 9 projects
 - Biosolids: \$70 million, 2 projects
 - Facilities: \$140 million, 14 projects
 - Other: \$7 million
- \$60 million for non-construction
- \$444 million in San Jose only debt service
- \$14 million in ending fund balance

* Fund 512 only

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 2022-26 and 2023-27

- Adopted: \$1.235 billion vs. Proposed: \$928 million
 - \$306 million net decrease
- Aeration Tanks and Blower Improvements
- Final Effluent Pump Station
- Yard Piping and Road Improvements

Program Successes

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

Questions?

