

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

San José City Hall, Virtual
Thursday, December 8, 2022, at 4:00 p.m.

1. ROLL CALL

Minutes of the Treatment Plant Advisory Committee convened this date at 4:04 p.m. Chair Watanabe called the meeting to order and asked for roll call. Roll call was taken with the following members in attendance:

Committee Members: David Cohen, Dev Davis, Patrick Kwok, Sam Liccardo, Carmen Montano, Rowena Turner, Kathy Watanabe, Lee Wilcox, Karen Hardy (4:10 p.m.)

2. APPROVAL OF MINUTES

A. November 10, 2022

Action: On a motion made by Committee Member Montano and a second by Committee Member Liccardo, TPAC recommended approval of the Minutes:

Ayes - 8 (Cohen, Davis, Kwok, Liccardo, Montano, Turner, Watanabe, Wilcox)

Nays - 0

Absent - 1 (Hardy)

3. UNFINISHED BUSINESS/REQUEST FOR DEFERRALS

4. DIRECTOR'S REPORT

A. Director's Report (verbal)

Environmental Services Department Director Kerrie Romanow announced that a letter of intent with Santa Clara Valley Water District on a purified water project collaboration is in the works and will be presented to the committee for discussion when it has been finalized. She advised that the letter of intent is non-binding, no investments have been agreed to or are proceeding at this time. The letter will outline topics of discussion and a framework for collaborative efforts. There were no questions or comments from the committee or public.

5. AGREEMENTS/ACTION ITEMS

A. Master Service Agreement with HydroScience Engineers, Incorporated for Engineering Consulting Services for the San José-Santa Clara Regional Wastewater Facility.

Staff Recommendation to Committee for City Council:

Adopt a resolution delegating authority to the City Manager or designee to execute a Master Service Agreement with HydroScience Engineers, Incorporated, for various Operations and Maintenance projects requiring engineering support and services on an as needed basis at the San José-Santa Clara Regional Wastewater Facility. The terms of the agreement shall be for a four-year term with a total not to exceed amount of \$2,500,000, subject to annual appropriation of funds.

This item is scheduled to be heard at City Council on December 13, 2022.

Environmental Services Department Assistant Director Fukuda advised there was no presentation, provided a brief description of the item and said staff was available for questions. Assistant Director Fukuda and Director Romanow responded to questions and comments from committee member Kwok, regarding the scarcity of bidders on this project, heavy reliance on consultants, and concerns that there was not an aggressive plan for training and development of in house staff expertise, Committee members Turner and Montano voiced concerns about the services under this agreement being categorized as operations and maintenance project expenses rather than capital project costs. Director Romanow and Assistant Director Fukuda confirmed that all projects are vetted to separate capital projects from operations and maintenance projects and this agreement is specifically for engineering support and services as needed for operations and maintenance projects. There were no questions from the public.

Action: On a motion made by Committee Member Hardy and a second by Committee Member Liccardo, TPAC recommended approval of item 5. A.

Ayes - 6 (Cohen, Davis, Hardy, Liccardo, Watanabe, Wilcox)

Nays - 3 (Kwok, Montano, Turner)

B. Second Amendment to the Master Consultant Agreement with Stantec Consulting Services Inc. for Program Management Services for the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program.

Staff Recommendation to Committee for City Council:

(a) Approve the second amendment to the Master Consultant Agreement with Stantec Consulting Services Inc. for program management services for the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program, increasing the not-to-exceed agreement amount from \$78,000,000 to a revised

not-to-exceed agreement amount of \$92,000,000; and extending the term of the agreement from June 30, 2023 to June 30, 2026.

(b) Adopt a resolution authorizing the City Manager to exercise the City's option to extend the agreement for up to two additional one-year terms, with compensation for each additional one-year term not to exceed \$4,000,000, depending on program needs and subject to the appropriation of funds.

This item is scheduled to be heard at City Council on December 13, 2022.

Assistant Director Fukuda introduced Deputy Director Mariana Chavez-Vazquez who made a presentation on this item. Deputy Director Chavez-Vazquez, Director Romanow, and Assistant City Manager Lee Wilcox responded to questions and comments from committee members Kwok, Turner, and Montano regarding high cost of and use of program and engineering management consultants, concerns about training, assessment, development and certification of skilled in-house technical staff and difficulties related to attracting and retaining skilled high end engineers with wastewater process and design experience. There were no questions from the public. Senior Deputy City Attorney Colleen Winchester stated for the record that Public Comment for this item had been posted and Assistant Director Fukuda summarized concerns expressed in a letter received from IFPTE, International Federation of Professional and Technical Engineers Local 21, regarding continued use of consultants, need to focus on training and transitioning from consultants to in house staff. Director Romanow and Assistant Director Fukuda met with IFPTE staff prior to the meeting and although they had these concerns, they were supportive of the recommendation.

Action: On a motion made by Committee Member Davis and a second by Committee Member Hardy, TPAC recommended approval of item 5. B.

Ayes - 6 (Cohen, Davis, Hardy, Liccardo, Watanabe, Wilcox)

Nays - 3 (Kwok, Montano, Turner)

C. Award of Dewatered Biosolids Transportation and Beneficial Use Service Agreements for the San José-Santa Clara Regional Wastewater Facility.

Staff Recommendation to Committee for City Council:

- (a) Adopt a resolution approving the Addendum to the Environmental Impact Report for the San José-Santa Clara Water Pollution Control Plant Master Plan (SCH #2011052074), Biosolids Disposition Project, File No. ER20-129, in accordance with the California Environmental Quality Act (CEQA), as amended.
- (b) Approve and execute the following dewatered biosolids transportation and beneficial use service agreements to manage the dewatered biosolids produced annually by the San José-Santa Clara Regional Wastewater Facility:

- (1) Denali Water Solutions, LLC to manage approximately 35% of the dewatered biosolids produced annually by the San José-Santa Clara Regional Wastewater Facility through June 30, 2029, with options to extend through June 30, 2033, and a maximum compensation of \$18,400,000, subject to the appropriation of funds.
 - (2) Synagro West, LLC to manage approximately 57% of the dewatered biosolids produced annually by the San José-Santa Clara Regional Wastewater Facility through June 30, 2029, with options to extend through June 30, 2033, and a maximum compensation of \$29,600,000, subject to the appropriation of funds.
 - (3) Lystek International Limited to manage approximately 8% of the dewatered biosolids produced annually by the San José-Santa Clara Regional Wastewater Facility through June 30, 2029, with options to extend through June 30, 2033, and a maximum compensation of \$7,300,000, subject to the appropriation of funds.
- (c) Adopt a resolution delegating authority to the City Manager or their designee to negotiate and execute amendments to the biosolid transportation and beneficial use service agreements with Denali Water Solutions, LLC, Synagro West, LLC, and Lystek International Limited to account for necessary changes to the percentage of the dewatered biosolids managed under each agreement and the corresponding compensation and/or execute extensions to the initial term of the agreement so long as such amendments do not exceed the combined total of \$55,300,000.

This item is scheduled to be heard at City Council on December 13, 2022.

Assistant Director Fukuda introduced Deputy Director Mariana Chavez-Vazquez who made a presentation on this item. Deputy Director Chavez-Vazquez, Biosolids Program Manager Nora Cibrian, Director Romanow, and Assistant Director Fukuda responded to questions from committee members Liccardo, Montano and Kwok regarding land application and optimal use options. There was public comment from Dean Stanford who offered ideas regarding possible uses on land surrounding the facility that may be suitable for future park land.

Action: On a motion made by Committee Member Liccardo and a second by Committee Member Davis, TPAC recommended approval of item 5. C.

Ayes - 6 (Cohen, Davis, Hardy, Liccardo, Watanabe, Wilcox)
Nays - 3 (Kwok, Montano, Turner)

D. Agreement with Santa Clara Valley Habitat Agency Establishing a 201-Acre Conservation Easement as Land-in-Lieu of Fees for the Burrowing Owl Habitat at the San José-Santa Clara Regional Wastewater Facility

Staff Recommendation to Committee for City Council:

Approve a Conservation Easement-In-Lieu of Fees agreement with Santa Clara Valley Habitat Agency that establishes an approximate 201-acre conservation easement over the Western Burrowing Owl Habitat at the San José-Santa Clara Regional Wastewater Facility as land-in-lieu of paying development fees for certain projects in the Capital Improvement Program and the corresponding Conservation Easement Agreement.

This item is scheduled to be heard at City Council on January 10, 2023.

Assistant Director Fukuda advised there was no presentation, provided a brief description of the item and said staff was available for questions. There were no questions from the committee. There was public comment from Dean Stanford in support of the item and questioning if acreage for habitat had increased. Assistant Director Fukuda confirmed no increase in number of acres.

Action: On a motion made by Committee Member Kwok and a second by Committee Member Montano, TPAC recommended approval of item 5. D.

Ayes - 9 (Cohen, Davis, Hardy, Kwok, Liccardo, Montano, Turner, Watanabe, Wilcox)
Nays - 0

6. OTHER BUSINESS/CORRESPONDENCE

A. Annual Plant Capacity Report

There were no questions from the public or the committee on this item.

7. STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC

A. Amend Purchase Order for Ferric Chloride

Staff Recommendation to Committee for City Council:

Adopt a resolution authorizing the City Manager to amend purchase order OP62260 with Kemira Water Solutions, Inc. (Atlanta, GA) for Ferric Chloride to increase compensation by \$1,200,000, for a revised maximum compensation not-to-exceed \$2,500,000 for the period ending on June 30, 2023.

This item was approved by City Council on November 15, 2022.

B. Actions Related to the Purchase order for Cationic Emulsion Polymer

Staff Recommendation to Committee for City Council:

1. Amend purchase order OP 62535 with SNF Polydyne, Inc. (Riceboro, GA) for Cationic Emulsion Polymer to increase compensation by \$546,328, for a revised

maximum compensation not-to-exceed \$932,448 for the period ending on July 12, 2023.

2. Exercise up to three additional one-year options to extend the term of the purchase order, with the last option ending on or about July 12, 2026, subject to the appropriation of funds.

This item was approved by City Council on November 15, 2022.

C. Construction Contingency Increase for the 7731 – Nitrification Clarifier Rehabilitation – Phase 1 Project at the San José-Santa Clara Regional Wastewater Facility

Staff Recommendation to Committee for City Council:

Approve a \$5,200,000 increase to the original construction contingency amount of \$5,237,000 for a revised total contingency amount of \$10,437,000, increasing the not-to-exceed amount of the contract from \$31,421,000 to a total revised contract amount not-to-exceed of \$36,621,000, and a 218 workday time extension to the project substantial completion date for the 7731 - Nitrification Clarifier Rehabilitation - Phase 1 Project.

This item was approved by City Council on November 29, 2022.

8. REPORTS

B. Open Purchase Orders Greater Than \$100,000 (including Service Orders)

Monthly Procurement and Contract Activity Reports summarizes the purchase and contracting between \$100,000 and \$1.3 Million for Goods and \$100,000 and \$320,000 for Services.

Chair Watanabe noted that there were no comments or questions from the public or committee on Items 6 - 8.

9. MISCELLANEOUS

A. The next TPAC Meeting is on **January 12, 2023 at 4:00 p.m., Virtual.**

10. OPEN FORUM

Public comment: Dean Stanford advised that he had submitted a Public Comment email. He also stated that there was renewed and expanded interest in parkland development by the California State Parks Department including an additional \$30 million dollar commitment to develop new parks. Mr. Stanford encouraged the development of a multi-use park including zero emission vehicle use, walking and biking, Santa Clara PAL BMX

track and other recreational uses. Mr. Stanford encouraged saving the trail around Pond A18 to replace loss of 9-mile trail. Mr. Stanford advised that VTA's BART project would have 3.5 million tons of dirt available for possible use on potential park lands.

There were no other comments or questions from the public.

Chair Watanabe acknowledged that this was Mayor Liccardo's final TPAC meeting as a member of the committee. She thanked Mayor Liccardo for his many years of excellent service to TPAC and to the City of San José and expressed best wishes in his future endeavors. Mayor Montano also expressed her gratitude and best wishes.

11. ADJOURNMENT

The Treatment Plant Advisory Committee was adjourned at 5:19 p.m.



Kathy Watanabe, Chair
TREATMENT PLANT ADVISORY COMMITTEE