

SAN JOSÉ/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE

CHUCK REED, CHAIR
PETE McHUGH, MEMBER
KEVIN MOORE, MEMBER
JAMIE MATTHEWS, MEMBER
MADISON NGUYEN, MEMBER

KEN YEAGER, MEMBER
JOHN GATTO, MEMBER
ED SHIKADA, MEMBER
KANSEN CHU, MEMBER

**AMENDED
AGENDA/TPAC**

4:30p.m.

January 12, 2012

Room T-1734

1. ROLL CALL

2. MINUTES

A. December 8, 2011

3. UNFINISHED BUSINESS

4. CORRESPONDENCE

5. REPORTS

A. Open Purchase Orders Greater Than \$100,000
The attached monthly Procurement and Contract Activity Report summarizes the purchase and contracting of goods with an estimated value between \$100,000 and \$1 million and of services between \$100,000 and \$250,000.

6. AGREEMENTS

A. Action Item - TPAC Recommendation for approval:

The following action item will be considered by the San Jose City Council on January 10, 2012 subject to the concurrence of Treatment Plant Advisory Committee:

Adopt a resolution authorizing the City Manager, subject to the concurrence of the Treatment Plant Advisory Committee, to submit an application to Reclamation for a WaterSMART grant through the Title XVI Water Reclamation and Reuse Program (Funding Opportunity Announcement No. R12SF80050), in an amount of up to \$5,000,000 for the construction of a regional recycled water intertie from north San Jose through the City of Santa Clara to the City of Sunnyvale's recycled water system and the construction of a new pipeline

connecting the Sunnyvale recycled water system to the new Apple II campus via Wolfe Road.

7. STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC

A. The following action item was considered by the San Jose City Council on November 29, 2011 subject to the concurrence of Treatment Plant Advisory Committee:

Report on Request for Proposal (RFP) for Citywide Janitorial Services and adoption of a resolution authorizing the City Manager to:

1. Execute four separate agreements with GCA Services Group Inc. (Alviso, CA) for Janitorial Services, with an initial three year term ending October 31, 2014 for each agreement, and a cumulative total amount not to exceed \$18,009,454 as follows:

Department	Maximum Compensation (three years)
Public Works	\$8,853,696
Airport	\$7,728,377
Parks, Recreation & Neighborhood Services	\$1,387,790
Office of Cultural Affairs	\$39,591
Total	\$18,009,454

2. Subject to approval by the Treatment Plant Advisory Committee, execute an agreement with GCA Services Group Inc. (Alviso, CA) for Janitorial Services, with an initial three year term ending October 31, 2014 for the Environmental Services Department Water Pollution Control Plant (WPCP), and a total amount not to exceed \$1,109,154.
3. Execute amendments as required to add or delete facilities, or change service levels due to seasonal changes or budget constraints, subject to appropriation of funds.

Execute five one-year options to renew each of the agreements subject to the appropriation of funds.

B. The following action items were approved by the San José City Council on December 13, 2011:

Adopt a resolution authorizing the City Manager:

- (a) To negotiate and execute a Second Amendment to the Wholesaler-Retailer Agreement for Supply of Recycled Water between the City of San Jose and San Jose Water Company (SJWC);
- (b) To permit SJWC to connect recycled water pipeline, to be built, operated and maintained by SJWC, to the South Bay Water Recycling (SBWR) System; to permit SJWC to issue a temporary recycled water meter for construction purposes to a SBWR authorized contractor for use at a

recycled water access point (RWAP) within the Retailer's service area;

- (c) To accept funding for the right to connect the new recycled water pipelines constructed by SJWC to the SBWR System;
- (d) And to require insurance to be maintained by SJWC for the duration of the agreement.

C. The following action items were approved by the San José City Council on December 13, 2011:

Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with the Santa Clara Valley Water District (District) for cost sharing of water conservation and wastewater flow reduction programs, for the period of January 1, 2012 through June 30, 2013, under which the City will pay the District an amount not to exceed \$500,000 and the City will receive an amount not to exceed \$180,000.

D. The following action items were approved by the San José City Council on December 13, 2011:

Authorize the City Manager to:

1. Exercise the second of three one-year options to renew an Open Purchase Order with Jeffco Painting & Coating, Inc. (Vallejo, CA) for the period November 1, 2011 through October 31, 2012, with total compensation not to exceed \$400,000, for plant-wide sand blasting and painting services at the Water Pollution Control Plant (WPCP).
2. Exercise the remaining option to renew the purchase order, not to exceed \$400,000, subject to the appropriation of funds.

Desired Outcome: To complete scheduled sandblasting and painting projects at the Water Pollution Control Plant in accordance with their maintenance plan.

E. The following action items were approved by the San José City Council on December 13, 2011:

Authorize the City Manager to Amend the existing Open Purchase Order 45620 with Trendtec Inc. (San José, CA), to encumber an additional \$435,000 for a revised total amount not to exceed \$560,000 for continued temporary employment services of up to six Environmental Inspectors and to extend the term through June 30, 2012.

Desired Outcome: To provide ongoing environmental inspection services as required for compliance with the San Jose/Santa Clara Water Pollution Control Plant National Pollutant Discharge Elimination System (NPDES) permit, the City's stormwater NPDE permit, and/or federal regulations. Additionally, inadequate inspection coverage increases the risk of pollutants entering the storm and sanitary sewer systems and the Bay.

8. MISCELLANEOUS

- A. The next TPAC meeting will be February 9, 2012, at 4:30 p.m. City Hall, City Manager's Office, 17th Floor, Room 1734.

9. OPEN FORUM

10. ADJOURNMENT

NOTE: If you have any changes or questions, please contact Monica Perras, Environmental Services, 408-975-2515.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please call Monica Perras at (408) 975-2515 or (408) 294-9337 (TTY) as soon as possible, but at least three business days before the meeting/event.

Availability of Public Records. All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at San Jose City Hall, 200 East Santa Clara Street, 10th Floor, Environmental Services at the same time that the public records are distributed or made available to the legislative body.

DRAFT
MINUTES OF THE
SAN JOSE/SANTA CLARA
TREATMENT PLANT ADVISORY COMMITTEE
City Hall, City Manager's Office, 17th Floor, Room 1734
Thursday, December 8, 2011 at 4:30 p.m.

1. ROLL CALL

Minutes of the Treatment Plant Advisory Committee convened this date at 4:30 p.m. Roll call was then taken, with the following members in attendance:

Committee members: John Gatto, Jamie Matthews, Kevin Moore, Madison Nguyen, Ed Shikada, Ken Yeager, Pete McHugh

Staff present: Monica Perras, Beth Gonzales, Kerrie Romanow, Mansour Nasser, Kirsten Struve, Jon Newby, Linda Charfauros, Mark Giovannetti, Maria Contreras, Mollie Dent.

Others present: Chris de Groot (City of Santa Clara), Kathleen Phalen (City of Milpitas), Robert Reid (West Valley Sanitation), David Wall (San Jose Resident).

2. APPROVAL OF MINUTES

A. November 10, 2011.

The minutes for November 10, 2011 were approved to note and file.

3. UNFINISHED BUSINESS

4. CORRESPONDENCE

A. San Jose/Santa Clara Water Pollution Control Plant-Odor Study Update
Item 4.A was approved unanimously. A handout was given to the Treatment Plant Advisory Committee.

5. REPORTS

A. Open Purchase Orders Greater Than \$100,000
The attached monthly Procurement and Contract Activity Report summarizes the purchase and contracting of goods with an estimated value between \$100,000 and \$1 million and of services between \$100,000 and \$250,000.

B. Tributaries Agencies Available Plant Capacity – 2011
Items 5.A& B were approved to note and file.

6. AGREEMENTS

A. Action Item - TPAC Recommendation for approval:

The following action item was considered by the San Jose City Council on November 29, 2011 subject to the concurrence of Treatment Plant Advisory Committee:

Report on Request for Proposal (RFP) for Citywide Janitorial Services and adoption of a resolution authorizing the City Manager to:

1. Execute four separate agreements with GCA Services Group Inc. (Alviso, CA) for Janitorial Services, with an initial three year term ending October 31, 2014 for each agreement, and a cumulative total amount not to exceed \$18,009,454 as follows:

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2. Subject to approval by the Treatment Plant Advisory Committee, execute an agreement with GCA Services Group Inc. (Alviso, CA) for Janitorial Services, with an initial three year term ending October 31, 2014 for the Environmental Services Department Water Pollution Control Plant (WPCP), and a total amount not to exceed \$1,109,154.
3. Execute amendments as required to add or delete facilities, or change service levels due to seasonal changes or budget constraints, subject to appropriation of funds.

Execute five one-year options to renew each of the agreements subject to the appropriation of funds.

Items 6.A 1-3 were approved unanimously.

B. Action Item - TPAC Recommendation for approval:

The following action items are scheduled to be considered by the San José City Council on December 13, 2011:

Adopt a resolution authorizing the City Manager:

- (a) To negotiate and execute a Second Amendment to the Wholesaler-Retailer Agreement for Supply of Recycled Water between the City of San Jose and

San Jose Water Company (SJWC);

- (b) To permit SJWC to connect recycled water pipeline, to be built, operated and maintained by SJWC, to the South Bay Water Recycling (SBWR) System; to permit SJWC to issue a temporary recycled water meter for construction purposes to a SBWR authorized contractor for use at a recycled water access point (RWAP) within the Retailer's service area;
- (c) To accept funding for the right to connect the new recycled water pipelines constructed by SJWC to the SBWR System;
- (d) And to require insurance to be maintained by SJWC for the duration of the agreement.

Items 6.B (a-d) were approved unanimously.

C. Acton Item - TPAC Recommendation for approval:

The following action items are scheduled to be considered by the San José City Council on December 13, 2011:

Adopt a resolution authorizing the City Manager:

- (e) To negotiate and execute a Second Amendment to the Wholesaler-Retailer Agreement for Supply of Recycled Water between the City of San Jose and San Jose Water Company (SJWC);
- (f) To permit SJWC to connect recycled water pipeline, to be built, operated and maintained by SJWC, to the South Bay Water Recycling (SBWR) System; to permit SJWC to issue a temporary recycled water meter for construction purposes to a SBWR authorized contractor for use at a recycled water access point (RWAP) within the Retailer's service area;
- (g) To accept funding for the right to connect the new recycled water pipelines constructed by SJWC to the SBWR System;
- (h) And to require insurance to be maintained by SJWC for the duration of the agreement.

David Wall spoke on this item.

Committee Member Pete McHugh arrives at this time.
Items 6.C. 1&2 were approved unanimously.

D. Acton Item - TPAC Recommendation for approval:

The following action items are scheduled to be considered by the San José City Council on December 13, 2011:

Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with the Santa Clara Valley Water District (District) for cost sharing of water conservation and wastewater flow reduction programs, for the period of January 1, 2012 through June 30, 2013, under which the City will pay the District an amount not to exceed \$500,000 and the City will receive an amount not to exceed \$180,000.

Item 6.D was approved unanimously.

E. Acton Item - TPAC Recommendation for approval:

The following action items are scheduled to be considered by the San José City Council on December 13, 2011:

Authorize the City Manager to:

1. Exercise the second of three one-year options to renew an Open Purchase Order with Jeffco Painting & Coating, Inc. (Vallejo, CA) for the period November 1, 2011 through October 31, 2012, with total compensation not to exceed \$400,000, for plant-wide sand blasting and painting services at the Water Pollution Control Plant (WPCP).
2. Exercise the remaining option to renew the purchase order, not to exceed \$400,000, subject to the appropriation of funds.

Desired Outcome: To complete scheduled sandblasting and painting projects at the Water Pollution Control Plant in accordance with their maintenance plan.

Items 6.E.1&2 were approved unanimously.

F. Acton Item - TPAC Recommendation for approval:

The following action items are scheduled to be considered by the San José City Council on December 13, 2011:

Authorize the City Manager to Amend the existing Open Purchase Order 45620 with Trendtec Inc. (San José, CA), to encumber an additional \$435,000 for a revised total amount not to exceed \$560,000 for continued temporary employment services of up to six Environmental Inspectors and to extend the term through June 30, 2012.

Desired Outcome: To provide ongoing environmental inspection services as required for compliance with the San Jose/Santa Clara Water Pollution Control Plant National Pollutant Discharge Elimination System (NPDES) permit, the City's stormwater NPDE permit, and/or federal regulations. Additionally, inadequate inspection coverage increases the risk of pollutants entering the storm and sanitary sewer systems and the Bay.

Item 6.F was approved unanimously.

7. STATUS OF ITEMS PREVIOUSLY APPROVED BY TPAC

The items that were approved by the San José City Council on November 15, 2011 were accepted to note and file.

8. MISCELLANEOUS

- A. The next TPAC meeting will be January 12, 2012, at 4:30p.m., City Hall, City Manager's Office, 17th Floor, Room 1734.

PUBLIC COMMENT

- A. **David Wall presented speaker cards on various topics.**

10. ADJOURNMENT

- A. The Treatment Plant Advisory Committee adjourned at 4:35 p.m.

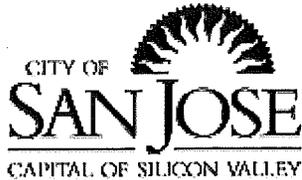
Chuck Reed, Chair
Treatment Plant Advisory Committee

City Manager's Contract Approval Summary
For Procurement and Contract Activity between \$100,000 and \$1 Million for Goods and \$100,000 and \$250,000 for Services

November 29 - December 31, 2011

Description of Contract Activity ¹	Fiscal Year	Req#/RFP#	PO#	Vendor/Consultant	Original \$ Amount	Start Date	End Date	Additional \$ Amount	Total \$ Amount	Comments
NEW:										
TEMPORARY PERSONNEL (4) - LABORERS TO SUPPORT OPERATIONS & MAINTENANCE	FY11-12	15169	46836	TRENDTEC INC	\$135,130	12/6/11	6/30/12			
ONGOING:										
OVERHAUL OF TPS & FLOWAY PUMPS	FY11-12	14065		CONHAGEN, ALFRED INC	\$200,000					
SERVICEGRID PROGRAM - MAINT SERV & SUPPORT SERV	FY11-12	15076	46832	ABB INC	\$248,674	12/1/11	11/30/12			

¹ This report captures in process contract activity (Requisition Number or RFP Number) and completed contract activity (Purchase Order Number, Contract Term, and Contract Amount)



Memorandum

TO: HONORABLE MAYOR AND CITY
COUNCIL

FROM: Kerrie Romanow

SUBJECT: SEE BELOW

DATE: January 3, 2012

Approved

Date

1/4/12

SUBJECT: APPLICATION TO THE UNITED STATES BUREAU OF RECLAMATION FOR A FEDERAL WATERSMART GRANT FOR THE CONSTRUCTION OF A NORTHERN REGIONAL INTERTIE TO THE SOUTH BAY WATER RECYCLING SYSTEM

REASON FOR ADDENDUM

In order to receive Council authorization in time to apply for the United States Bureau of Reclamation (Reclamation) WaterSMART grant by the application deadline of January 17, 2012, it is necessary to add this item to the January 10, 2012 City Council Agenda.

RECOMMENDATION

Adopt a resolution authorizing the City Manager, subject to the concurrence of the Treatment Plant Advisory Committee, to submit an application to Reclamation for a WaterSMART grant through the Title XVI Water Reclamation and Reuse Program (Funding Opportunity Announcement No. R12SF80050), in an amount of up to \$5,000,000 for the construction of a regional recycled water intertie from north San José through the City of Santa Clara to the City of Sunnyvale's recycled water system and the construction of a new pipeline connecting the Sunnyvale recycled water system to the new Apple II campus via Wolfe Road.

OUTCOME

Approval of this recommendation will allow staff to submit a grant application to Reclamation by the January 2012 deadline. If awarded by Reclamation and accepted by the City, the grant would fund up to 25% of construction costs to build a Northern Regional Intertie to the South Bay Water Recycling (SBWR) System to bring high quality recycled water to the City of Sunnyvale and the new Apple II Campus by September 2014. It is anticipated that the local match funding for this project would be shared with public and private partners, including Apple, Inc., the City of Sunnyvale, California Water Service Company and the Santa Clara Valley

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Water District. This capital project would be the first inter-regional recycled water intertie in California and would reduce regional demand on limited potable water supplies; increase recycled water revenues to SBWR; and provide pipeline infrastructure in Cupertino and Sunnyvale to facilitate expanding the recycled water system as such future opportunities become available.

BACKGROUND

In November 2011, Reclamation announced Funding Opportunity No. R12SF80050, the "WaterSMART: Title XVI Water Reclamation and Reuse Program Funding for Fiscal Year 2012." According to the program solicitation, "sponsors of authorized Title XVI projects are invited to request funding for planning, design, and/or construction of an authorized Title XVI project, including work that has already been completed without Federal funding, as well as work planned through September 30, 2014." The solicitation also states that, "Reclamation anticipates providing no more than \$4,000,000 per applicant, subject to funding capability and amount remaining under the appropriations ceiling for each authorized project." Furthermore, Reclamation states, "Depending on final appropriations and interest in this grant, Reclamation may consider awarding more than \$4,000,000 per applicant or may consider a smaller funding amount."

ANALYSIS

In fall 2011, SBWR stakeholders including San José/Santa Clara Water Pollution Control Plant tributary agency representatives, California Water Service Company, the Santa Clara Valley Water District, and the City of Sunnyvale identified a number of capital projects that met the primary criteria of increasing revenues from the sale of recycled water and enhancing SBWR system reliability. Among these improvements was a Northern Regional Intertie project that would provide recycled water to Sunnyvale and the new Apple II campus.

The total project cost is estimated at \$20,000,000, including all soft costs. Apple, Inc. has indicated that as part of a public-private partnership the company would consider funding up to \$4,800,000 for the regional intertie project. Sunnyvale City staff anticipates that the Sunnyvale City Council will consider budgeting funds for this project by the end of March 2012. In addition, staffs from the Santa Clara Valley Water District and California Water Service Company have also indicated interest in contributing to the construction costs. Each of the partnering agencies identified above are currently preparing letters of support for the January 2012 grant submittal.

If the 2012 WaterSmart grant is awarded and the other partner agencies provide all the additional funds necessary to complete this project, staff would propose contributing no more than \$2,400,000 from the SBWR program, subject to Council, City of Santa Clara, and California Department of Water Resources approval. Of this amount, \$1,300,000 would come from budgeted grant funds in the San José/Santa Clara Construction Services Agreement approved by

Council in 2010 to construct a SBWR pipeline in the City of Santa Clara. An additional \$1,100,000 could be available from State Proposition 84 Bay Area Integrated Regional Water Management Program grant funds that staff anticipates receiving in 2012. Staff has coordinated with City of Santa Clara staff on the above funding strategy. No revenue received from the San José/Santa Clara Treatment Plant Tributary Agencies or City Sanitary Sewer ratepayers will be used to pay for the costs of this project.

The recycled water system is expected to continue to expand over the next several decades to ensure the region has adequate water supply to support expected growth. Staff believes that this utility can and should operate at full cost recovery and contribute revenues to San José, Santa Clara, and Tributary partners. Taking advantage of opportunities like this Reclamation grant project to significantly increase the reach of the recycled water system in the county puts the City and tributary agencies in a better position to maximize potential future revenues.

Upon Council and TPAC approval, City staff would submit an application by January 17, 2012, applying to Reclamation for up to \$5,000,000 for hard and soft costs, including grant administration, for the construction of the northern regional intertie and the Wolfe Road pipeline. Depending on the competitiveness of this proposal and the number and cost of the other proposals submitted, there is a possibility that Reclamation could make an award of more or less than the \$5,000,000 to the City. Should the grant be awarded in April 2012, the total project cost will be applied towards the City's existing authorization provided by Reclamation with the remaining authorization available for future recycled water projects. Reclamation's support of the City's commitment to use reimbursed recycled water federal grant funds to fund new projects would increase the competitiveness of this grant application.

EVALUATION AND FOLLOW-UP

If Council approves this recommendation, staff will submit an application for the 2012 WaterSMART grant. If the grant is awarded in April 2012, staff and Reclamation will negotiate a grant agreement, and staff and the partner agencies will develop any additional agreements required to jointly implement this project for Council consideration. The partnership agreements would specify that any costs related to the City undertaking the lead agency role in administration of the grant will be included in the total project budget and that the City will be compensated for these costs. Per the requirements of Reclamation, the grant agreement and partnership agreements must be executed by the end of September 2012.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**

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- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum, while not meeting any of the criteria above, will be posted on the City's website for the January 10, 2012 Council agenda.

COORDINATION

This memo was coordinated with the City Attorney's Office and the City Manager's Budget Office. This recommendation is scheduled to be considered by the Treatment Plant Advisory Committee (TPAC) at its January 12, 2012 meeting.

CEQA

Not a Project, File No. PP10-068(a) Grant Application (where Council is not obligated to enter into an agreement at the time of application).

/s/
KERRIE ROMANOW,
Acting Director, Environmental Services

For questions please contact Jo Zientek, Acting Assistant Director, Environmental Services Department, at (408) 535-8557.