

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

Special Meeting
AGENDA/TPAC

5:00p.m.

May 10, 2012

Room 1734

1. ROLL CALL

2. APPROVAL OF MINUTES

A. April 12, 2012

3. UNFINISHED BUSINESS/REQUEST FOR DRFERRALS

4. AGREEMENTS/ACTION ITEMS

A. San Jose/Santa Clara Water Pollution Control Plant 2013-2017 Proposed Capital Improvement Program

Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2013-2017 Proposed Capital Improvement Program

The San Jose/Santa Clara Water Pollution Control Plant 2013-2017 Proposed Capital Improvement Program is scheduled for consideration by the San José City Council on June 12, 2012, and for adoption on June 19, 2012.

B. San Jose/Santa Clara Water Pollution Control Plant 2012-2013 Proposed Operating and Maintenance Budget

Recommendation: TPAC approval of the San Jose/Santa Clara Water Pollution Control Plant 2012-2013 Proposed Operating and Maintenance Budget

The San Jose / Santa Clara Water Pollution Control Plant 2012-2013 Proposed Operating and Maintenance Budget is scheduled for consideration by the San José City Council on June 12, 2012, and for adoption on June 19, 2012.
(Forthcoming)

C. Report on Bids and Award of Construction Contract for the Water Pollution Control Plant Administration Building Standby Generator Project

Recommendation: TPAC approval of the Report on Bids and Award of Construction Contract for the Water Pollution Control Plant Administration Building Standby Generator

The Report on Bids and Award of Construction Contract for the Water Pollution Control Plant Administration Building Standby Generator project to the low bidder, Guerra Construction, Inc., in the amount of \$147,620, and approval of a contingency in the amount of \$14,800, is scheduled to be considered by the San José City Council on May 15, 2012.

D. Award of Construction Contract for the Nortech – Zanker Services Lateral Project

Recommendation: TPAC approval of the Award of Construction Contract for the Nortech-Zanker Services Lateral Project

The award of construction contract for the Nortech-Zanker Service Lateral Project to the lowest bidder, Platinum Pipelines, Inc., in the amount of \$578,960, and approval of a contingency in the amount of \$115,000, is scheduled to be considered by the San José City Council on May 15, 2012.

5. **REPORTS**

Open Purchase Orders Greater Than \$100,000

- A. 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. **OTHER BUSINESS/CORRESPONDENCE**

7. **STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC**

- A. Report Update on the South Bay Water Recycling Program and Strategic Planning Effort

The San José City Council accepted the report update on the South Bay Water Recycling Program and Strategic Planning Effort on April 17, 2012.

8. **MISCELLANEOUS**

- A. The next TPAC meeting will be June 14, 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, April 12, 2012 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: Chuck Reed, John Gatto, Kansen Chu, Jamie Matthews, Kevin Moore, Madison Nguyen, Ed Shikada, Ken Yeager

Staff present: Monica Perras, Rosa Tsongtaatarii, Jon Newby, Dave Tucker, Rene Eyerly

Others present: Chris de Groot (City of Santa Clara), Kathleen Phalen (City of Milpitas), Steve Machida, (Cupertino Sanitary District), Edward Oyama (West Valley Sanitation), Asbjorn Nysaether (MWH), Ann Symons (AECOM), Madison Casserly (Kennedy/Jenks Consultants), Carolyn Huynh,(City of San Jose), David Wall (San Jose Resident).

2. APPROVAL OF MINUTES

A. March 8, 2012

**The minutes for March 8, 2012 were approved to note and file.
Committee Member Gatto abstained.**

3. UNFINISHED BUSINESS

4. CORRESPONDENCE

- A. Information Memorandum: Recycled Water Policy Advisory Committee
- B. Managers Letter to Mayor of Milpitas Regarding South Bay Recycled Water System
- C. Managers Letter to Cupertino Sanitary District Regarding Resolution No. 1230

Items 4.A-C were approved to note and file.

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.

Item 5.A was approved to note and file.

6. **AGREEMENTS**

A. Acton Item - TPAC Recommendation for approval:

The following action item is scheduled to be considered by the San José City Council on April 17, 2012:

Accept this report update on the South Bay Water Recycling program and strategic planning effort.

Motion by Committee Member Nguyen and second by Committee Member Matthews for approval of Item 6.A. Committee Member Gatto abstained. David Wall presented a speaker card on this item.

7. **STATUS OF ITEMS PREVIOUSLY APPROVED BY TPAC**

A. Acton Item - TPAC Recommendation for approval:

The following action item was approved by the San José City Council on March 13, 2012:

Adopt a resolution authorizing the City Manager to:

1. Negotiate and execute a Master Service Agreement with BLP Engineers, Inc. for technical lead and quality assurance/control support for the Digester Rehabilitation Program at the San José/Santa Clara Water Pollution Control Plant for an amount not to exceed \$2,200,000 for an initial term commencing upon approval of the agreement and continuing through June 30, 2014
2. Execute up to three additional one-year options and to increase the compensation in an amount not to exceed \$1,100,000 for each additional one-year term, subject to the annual appropriation of funds by the City Council
David Wall presented a speaker card on this item.

B. Acton Item - TPAC Recommendation for approval:

The following action item was approved by the San José City Council on March 13, 2012:

Adopt a resolution authorizing the City Manager to:

1. Execute the Sixth Amendment to the Environmental Enforcement Data Management System (EEDMS) Agreement with enfoTech & Consulting, Inc. to extend the term of the agreement by twelve months from January 31, 2012 to January 31, 2013 and increase the maximum compensation by \$45,025 for a revised not-to-exceed amount of \$1,426,623 in order to complete the

upgrade of the existing EEDMS to a web-based system and to add additional features and functionality.

2. Add \$6,754 to the previous contingency amount of \$72,750 for a total contingency amount not to exceed \$79,504 to cover any unanticipated changes to the system upgrade, report development, system maintenance, and support.
3. Execute amendments to extend the term of the agreement beyond January 31, 2013 as required in the event that additional time is needed to complete the project.

**Items 7.A-1&2 and 7.B 1-3 were approved to note and file.
Committee member Gatto abstained.
David Wall presented a speaker card on this item**

8. MISCELLANEOUS

- A. The next TPAC meeting will be May 10, 2012, at 4:30p.m., City Hall, City Manager's Office, 17th Floor, Room 1734.

PUBLIC COMMENT

- A. **David Wall presented a speaker card on Review of all Sewer Service and Use Charges**

10. ADJOURNMENT

- A. The Treatment Plant Advisory Committee adjourned at 4:40 p.m.

Chuck Reed, Chair
Treatment Plant Advisory Committee



Memorandum

TO: TREATMENT PLANT ADVISORY COMMITTEE **FROM: Kerrie Romanow**

SUBJECT: FIVE -YEAR 2013-2017 PROPOSED CAPITAL IMPROVEMENT PROGRAM **DATE: May 10, 2012**

This memorandum serves to transmit the San Jose / Santa Clara Water Pollution Control Plant Proposed Five-Year 2013 – 2017 Capital Improvement Program. The anticipated five-year capital improvement program and agency contributions were discussed with staff representatives from the tributary agencies on December 12. The Proposed Five-Year Capital Improvement Program is provided for the Treatment Plant Advisory Committee's review and for a recommendation to the San Jose City Council for approval.

If you should have any further questions, please contact Jon Newby at 408-635-2000.

KERRIE ROMANOW
Acting Director, Environmental Services

PROPOSED
SAN JOSE / SANTA CLARA
WATER POLLUTION CONTROL PLANT

700 Los Esteros Road
San Jose, California 95134

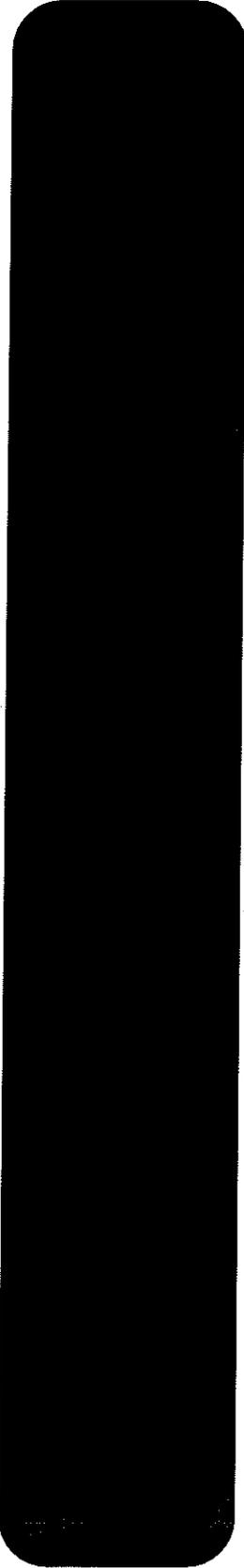
Five-Year 2013-2017
Capital Improvement Program

Submitted by

Kerrie Romanow, Acting Director
Environmental Services Department
City of San Jose

TO: Treatment Plant Advisory Committee

Chuck Reed	(Chair) Mayor, City of San Jose
Kevin Moore	Councilmember, City of Santa Clara
Pete McHugh	Vice Mayor of Milpitas
Jamie Matthews	Mayor, City of Santa Clara
Ken Yeager	Boardmember, West Valley Sanitation District
John M. Gatto	Boardmember, Cupertino Sanitary District
Ed Shikada	Deputy City Manager, City of San Jose
Kensen Chu	Councilmember, City of San Jose
Madison Nguyen	Councilmember, City of San Jose



2012-2013 CAPITAL BUDGET

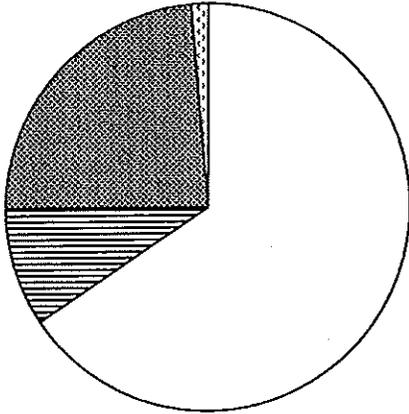
2013-2017 CAPITAL
IMPROVEMENT PROGRAM

WATER POLLUTION
CONTROL

WATER POLLUTION
CONTROL

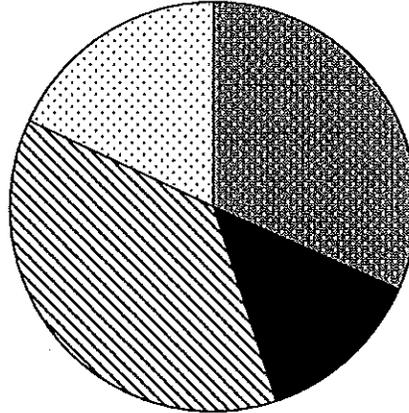
WATER POLLUTION CONTROL 2013-2017 Capital Improvement Program

2012-2013 Proposed
Source of Funds



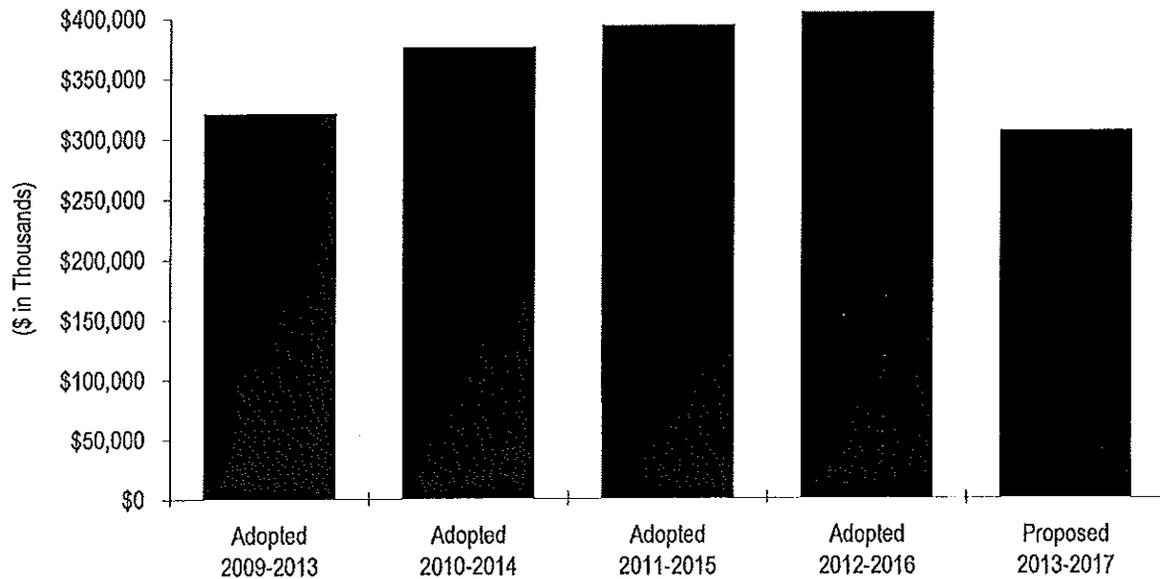
- Beginning Fund Balance
- ▨ Other Government Agencies
- ▩ Transfers
- ▧ Interest and Miscellaneous

2012-2013 Proposed
Use of Funds



- ▩ Construction
- Non-Construction
- ▨ Reserves and Transfers
- Ending Fund Balance

CIP History



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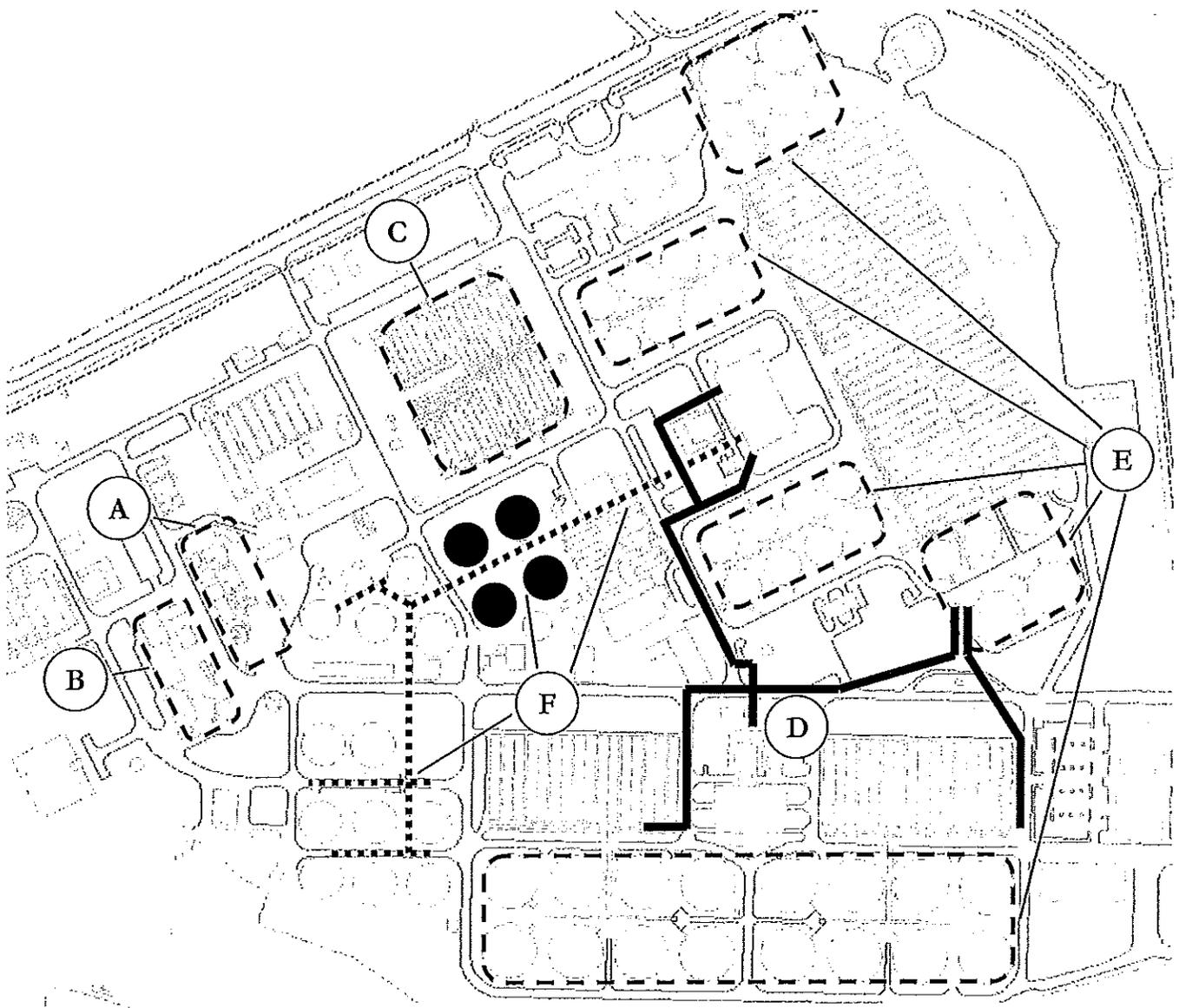
Water Pollution Control

2013-2017 Proposed Capital Improvement Program*

2012-2013 Project Approximate Locations:

- A) Headworks No. 1 Repair & Rehabilitation
- B) Headworks No. 2 Enhancement
- C) East Primary Rehabilitation

- D) Biological Nutrient Removal 1 & 2 Connection
- E) Secondary & Nitrification Clarifier Rehabilitation
- F) Digester Rehabilitation



* Includes only a selection of the most significant Plant projects. Please see the Source & Use for a full project listing.

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Water Pollution Control Capital Program

2013-2017 Proposed Capital Improvement Program
Overview

INTRODUCTION

The San José/Santa Clara Water Pollution Control Plant (Plant) is a regional wastewater treatment facility serving eight South Bay cities and four sanitation districts including: San José, Santa Clara, Milpitas, Cupertino Sanitation District (Cupertino), West Valley Sanitation District (Campbell, Los Gatos, Monte Sereno and Saratoga), County Sanitation Districts 2-3 (unincorporated), and Burbank Sanitary District (unincorporated). The Plant is jointly owned by the cities of San José and Santa Clara and is administered and operated by the City of San José's Environmental Services Department (ESD). ESD is also responsible for planning, designing, and constructing capital improvements at the Plant, including water reuse facilities.

The 2013-2017 Proposed CIP provides funding of \$306.2 million, of which \$111.3 million is allocated in 2012-2013. The five-year CIP is developed by ESD staff and recommended as a budget by the Treatment Plant Advisory Committee to the San José City Council for appropriation. The costs are allocated to each Agency based on its contracted-for capacity in the Plant. Each Agency is responsible for its allocated share of Plant costs, as well as the operation, maintenance and capital costs of its own sewage collection system; debt service on bonds issued by the Agency for sewer purposes; and any other sewer service related costs. Each Agency is also responsible for establishing and collecting its respective sewer service and use charges, connection fees or other charges for sewer service.

A revenue program is prepared annually by each Agency to establish its sewer service and

use charge rates. Rates are adopted by ordinance, or resolution, of the governing body of each Agency. The Agencies' revenue programs, ordinances and resolutions are submitted to the City of San José, as the administering agency, for review to determine conformance with State Water Resources Control Board (SWRCB) revenue program guidelines, and are then submitted by San José to the SWRCB for review and certification.

This program is part of the Environmental and Utility Services City Service Area (CSA) and supports the following outcomes: *Reliable Utility Infrastructure and Healthy Streams, Rivers, Marsh, and Bay.*

PROGRAM PRIORITIES AND OBJECTIVES

The 2013-2017 Proposed CIP reflects the result of a three-year master planning effort for rehabilitating and modernizing the Plant, which is over 50 years old. The Plant Master Plan (PMP) will guide capital improvements and land use changes to be implemented at the Plant and its surrounding lands over the next 30 years.

On April 19, 2011, the City Council approved a preferred alternative for the PMP and directed staff to proceed with a program-level environmental review of the preferred alternative. This work is currently underway and the Environmental Impact Review Report (EIR) is expected to be completed by spring 2013.

At the project level, the PMP recommends the implementation of more than 100 capital improvement projects over a 30-year period, with the most critical rehabilitation projects to occur within the first 15 years. Potential

Water Pollution Control Capital Program

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PROGRAM PRIORITIES AND OBJECTIVES

projects are evaluated using six criteria:

- Condition (age)
- Regulatory triggers
- Economic Benefit
- Improved Performance Benefit
- Increased Flows and Loads (capacity)
- Community Benefits

These criteria guide not only the decision to proceed with a project but also the implementation timelines. However, it is important to note that the timelines outlined in the PMP are conceptual in nature and require validation to account for construction sequencing for uninterrupted operations, alternative implementation strategies (such as Design/Build and Design/Build/Operate), and impacts due to recent and unprecedented number of staff vacancies and turn-over affecting all areas of the Plant. These challenges support the need for a larger program management approach for the Plant CIP.

A top program priority in this Proposed CIP is to procure the necessary program management, engineering, and technical support contractual resources to facilitate implementation of the most critical rehabilitation projects recommended by the PMP as well as new technologies projects related to the biosolids, power generation, and filtration processes.

Staff presented a "packaged approach" for delivery of the Plant CIP to the Transportation and Environment Committee and the City Council in February 2012. The proposed program delivery approach aims to

minimize disruptions to the Plant operations during construction, minimize the risk of National Pollutant Discharge Elimination System (NPDES) permit violations, meet the Plant's goals of being a good neighbor, and manage rate impacts to San José, Santa Clara, and the tributary agencies.

Package 1 includes critical rehabilitation projects covering the various treatment process areas at the Plant. These projects are estimated to average \$40 million/year over the next ten years. For the next 5-years, San José's portion of the funding for these projects is already programmed into the 2013-2017 sewer rate models with no rate increase for 2012-2013 and moderate rate increases in the following years. Current rate models for the 5-year CIP suggest rate increases of 3% for three years beginning in 2014-2015 would be needed to fund Package 1. This estimate is preliminary and may change as project scopes are developed and costs are refined, technologies are evaluated, and as prices for the necessary goods and services, which fluctuate, are better known. Costs for Plant operations may also impact these rate increases. The estimated rates also do not include the costs for any of the Package 2 projects described below.

Package 2 includes new technology projects that replace existing treatment process technologies with new technologies, rather than rehabilitating existing infrastructure. Examples of such projects are the transition from existing open air biosolids drying to mechanical dewatering and drying; installation of new gas turbines to replace existing engine generators; and new filtration technology to replace existing gravity filters. These projects are estimated to average \$50 to \$70 million/year over a period of seven years.

Water Pollution Control Capital Program
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Overview

PROGRAM PRIORITIES AND OBJECTIVES

Funding options for these projects are currently being evaluated by staff, with bond funding being reviewed to potentially ease the rate impacts on users, and to spread the costs over the life of the projects.

“Package 3” includes projects that are to be constructed beyond the 10 to 15 year horizon. The projects in Package 3 are end-of-life-cycle replacement projects for existing infrastructure, and new projects driven by regulatory requirements. The total estimated cost for Package 3 projects is \$1.1 billion, with annual spending being variable and dependent on the timing and exact nature of regulatory requirements that are expected to be more precisely defined in the 10-15 year timeframe. Since Package 3 covers projects beyond 2021, its implementation strategy will be evaluated as part of future CIP cycles.

SOURCES OF FUNDING

Revenues for the Five-Year CIP are derived from several sources: transfers from the City of San José Sewer Service and Use Charge fund (\$134.2 million) and Sewage Treatment Plant Connection Fee Fund (\$15.5 million); contributions from the City of Santa Clara and other agencies (\$73.4 million); interest earnings (\$4.3 million); Calpine Metcalf Energy Center Facilities Repayments (\$1.9 million); federal grants from the US Bureau of Reclamation (\$2.1 million), and contributions from the Santa Clara Valley Water District in connection with recycled water projects (\$750,000).

The Sewer Service and Use Charge Fund derives its revenues from fees imposed on San

José users of the residential, commercial, and industrial sanitary sewer system. These fees represent the largest source of funding for this capital program. Transfers from the Sewer Service and Use Charge Fund to the Water Pollution Control Capital Improvement Program over the five years of the CIP total \$134.2 million which reflect a \$72.8 million (35.2%) decrease compared to the 2012-2016 Adopted CIP due to a reprioritization of projects and a change in strategy for the implementation of PMP recommendations to a packaged approach, as described under Program Priorities and Objectives.

Contributions from the City of Santa Clara and other agencies are determined according to agreements with the participating agencies, based on financing plans, anticipated Plant expenditures and the amount and characteristics of flows from each agency's connections to the Treatment Plant. These contributions reimburse the City for actual project expenditures. In this Proposed CIP, contributions from the City of Santa Clara and the other agencies total \$73.4 million, which represents a \$35.8 million (32.8%) decrease compared to the 2012-2016 Adopted CIP. This decrease results from categorizing projects such as the Plant Electrical Reliability and Inactive Lagoon Biosolids as part of Package 2, for which an alternative financing strategy is being considered. Funding for Package 2 projects is not incorporated into this CIP, pending the evaluation of an alternative funding strategy.

PROGRAM HIGHLIGHTS

Preliminary Treatment

The headworks facility located at the front end of the Plant is designed to provide

Water Pollution Control Capital Program

2013-2017 Proposed Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

preliminary treatment of the incoming wastewater. Large solids such as rags, sticks, floatables, grit, and grease are removed through a screening and grit removal process to protect downstream pumping and other equipment. The 2013-2017 Proposed CIP includes \$9.0 million for three distinct headworks projects:

- Headworks No. 1 Repair & Rehabilitation
- Headworks No. 2 Enhancement
- Headworks No. 2 Expansion

Headworks No.1 (HW1) is the original headworks facility and was built in the mid-1950s and early 1960s. Headworks No. 2 was completed in 2008 as a wet weather flow handling facility. The PMP recommends the minimum level of repairs to HW1 to keep it operational for the next ten years while a larger scale upgrade or refurbishment is evaluated and implemented, as described below. The recommended improvements include rehabilitation of the existing bar screens, replacement of the grit classifiers, rehabilitation of various process piping and discharge valves, and miscellaneous concrete repairs.

Additional enhancements to HW2 are being implemented to enhance operational flexibility, improve performance, and allow for Headworks 1 to be taken out of service completely for repairs. The enhancements will also bring HW2 closer to eventually serving as the sole headworks facility for the Plant, which is an option under consideration. These enhancements include modifications to the raw sewage distribution structure, construction of a new 96-inch diameter

connection pipeline, re-routing several flow streams from HW1 to other structures, and modifications to the emergency overflow basin.

The Headworks No. 2 Expansion currently has funding to evaluate whether to expand HW2 and decommission HW1 or to proceed with a full refurbishment of HW1, in lieu of the HW2 expansion. Currently, HW2 must be operated in parallel with HW1 in order to accommodate a combined peak wet weather flow of 400 mgd. Due to the age and condition of HW1, a major refurbishment of HW1 would be needed to keep it operational beyond ten years. A consultant analysis completed in 2009 indicated that it might be more cost effective to construct a second half to HW2 instead of investing significant resources into overhauling HW1, however further study is needed.

Several other improvements related to the Preliminary Treatment section of the Plant are recommended by the PMP but are not included in this CIP because the recommended implementation timeline falls outside the five to ten year window and/or additional project scoping or analysis is needed.

Primary Treatment

The primary treatment process consists of a series of uncovered concrete holding tanks fitted with mechanisms that work to slow the flow of wastewater and to allow heavy solids to settle out while allowing oil, grease and lighter solids to float to the surface. Mechanical skimmers remove grease and floatable materials from the water surface and settled solids (i.e., sludge) are collected at the bottom of the tanks while the remaining

Water Pollution Control Capital Program

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PROGRAM HIGHLIGHTS

liquid waste stream is moved onto the next process for further treatment.

The 2013-2017 Proposed CIP includes \$31.6 million for two projects:

- East Primary Tank Rehabilitation, Seismic Retrofit, and Odor Control
- Iron Salt Feed Station

The Plant has two banks of primary tanks: the West and East Primaries. Due to age, condition, and treatment limitations of the West Primaries, the PMP recommends complete demolition of the West Primaries after improvements to the East Primaries are completed. These improvements include conversion of the in-tank mechanical components to stainless steel mechanisms, concrete coating, structural/seismic retrofits, mechanical, electrical, instrumentation, and odor and corrosion control upgrades. Since not all the tanks can be taken out of service at the same time, the work is anticipated to be conducted over ten years.

Since 2010, the Plant has generated higher than normal hydrogen sulfide gas in the digesters on several occasions, leading to potential violation of the air permit. To address that problem, staff has implemented a temporary chemical dosing facility to add iron salts to incoming wastewater to control the generation of hydrogen sulfide gas. In addition to the control of hydrogen sulfide, some iron salts have the additional advantage of enhancing the primary treatment process by better settling out the solids. This decreases the loading to the secondary treatment process, which in turn reduces the

air demand and results in lower energy requirements. An in-house piloting effort is currently underway to determine ideal dosing rates of the iron salts and to observe effects on the downstream treatment processes. The pilot was completed in February 2012. Data collected from the pilot will be used to design the permanent iron salt feed station.

The PMP also recommends other improvements to the primary treatment area, but these fall outside the Proposed CIP timeframe. Future projects include tunnel rehabilitation, construction of a new equalization basin, and demolition of the West Primaries. Projects and funding to address these recommendations will be advanced with future CIP cycles.

Secondary Treatment

The secondary treatment process at the Plant consists of a series of aeration basins and clarifiers where biological treatment of the wastewater takes place. Microorganisms and wastewater are mixed and aerated in these tanks for varying lengths of time and intensity resulting in the settling out of large particulate matter or sludge. A portion of the settled sludge is returned to the secondary treatment process for re-use with the rest removed as excess waste. The secondary treatment process works to remove contaminants as required by the Plant's NPDES discharge permit. The 2013-2017 Proposed CIP includes \$34.0 million for three projects:

- Biological Nutrients Removal tanks (BNR) - BNR1 and BNR2 Connection
- Fine Bubble Membrane Diffuser Conversion

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PROGRAM HIGHLIGHTS

- Secondary and Nitrification Clarifier Rehabilitation

The Plant has aeration tanks and clarifiers grouped in two bays: BNR1 and BNR2. These were constructed in phases between the 1960s and 1980s and are physically disconnected from one another.

The BNR1 and BNR2 Connection project will construct a new pipeline connection between the two areas. This will allow for interchangeable use of the BNR2 clarifiers with the BNR1 aeration tanks during low flows.

The Secondary and Nitrification Clarifier Rehabilitation project will make structural, mechanical, and electrical improvements to the tanks and associated equipment. Detailed condition assessments and hydraulic modeling studies for the clarifiers were recently completed and the final report recommendations are currently being reviewed by staff. This Proposed CIP includes preliminary funding to modify and rehabilitate one BNR1 clarifier and one BNR2 clarifier.

The Fine Bubble Membrane Diffuser Conversion project will convert the existing aeration system from coarse bubble diffusers to fine bubble diffusers to improve treatment performance and reduce energy usage.

Tertiary Treatment

The tertiary treatment process is the final treatment stage at the Plant and consists of a gravity filtration process and a disinfection process. The 2013-2017 Proposed CIP

includes \$2.5 million for filtration and disinfection process improvements:

- Alternative Disinfection
- Filter Improvements
- New Filter Technology

The existing filter complex at the Plant was built in the 1960s and needs significant refurbishment to improve reliability and performance. A project is currently underway to replace the filter underdrain system and media in one filter bank to improve filtration performance.

Other efforts related to the filter complex include a detailed condition assessment study to identify critical valve replacement needs to keep the filter building operational until new filter technologies can be implemented.

Depending on how new filtration technology develops over the next few years, construction of a new replacement filter complex may be recommended. The filtration repairs included in this Proposed CIP are intended to keep the existing filtration facility operational through transition to a new filter complex. Preliminary funding to evaluate new filter technology is included in this Proposed CIP.

The Alternative Disinfection project was completed in 2011 and allowed the Plant to replace the existing gaseous chlorine and sulfur dioxide system with a new liquid sodium hypochlorite and sodium bisulfate system. Chlorination and disinfection of treated wastewater is the last step in the treatment process and a requirement of the Plant's NPDES permit. New funding is included with this CIP to allow for decommissioning of the old chlorine and sulfur dioxide disinfection facilities.

Water Pollution Control Capital Program

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PROGRAM HIGHLIGHTS

Biosolids

The sludge accumulated in the wastewater treatment processes must be treated and disposed of in a safe manner. The Plant uses anaerobic digesters and open air drying beds to treat and stabilize sludge before final disposal at a landfill. The Proposed 2013-2017 CIP includes \$58.1 million for biosolids projects:

- Biosolids Transition Technology
- Digester Rehabilitation
- Dissolved Air Flotation Rehabilitation & Odor Control

The Plant has sixteen anaerobic digesters (heated enclosed tanks that “digest” sludge and break down organic matter in the sewage and produce methane gas in the process) built at various times between 1956 and 1983. A number of the Plant’s digesters are out of service due to age, corrosion, mechanical, and structural issues.

The Digester Rehabilitation project will make structural and mechanical improvements to the digesters. New concrete submerged covers will be installed, new mixing systems will be installed, and heating system improvements will be made. In conjunction with the Digester Rehabilitation project, the Dissolved Air Flotation Rehabilitation & Odor Control project will upgrade the Dissolved Air Flotation (DAF) units to allow for co-thickening of primary and secondary sludge. In addition, the aging digester gas pipeline located in below ground tunnels needs to be replaced with an above-ground pipeline to comply with fire and safety codes.

Funding included in this CIP will be sufficient to rehabilitate four digesters, enhance the pre-thickening process, and construct a new digester gas pipeline. It is anticipated an additional six digesters will need to be rehabilitated beyond the initial four digesters planned with this CIP. Funding for this work will be considered with future CIP cycles.

Funding is also included with this CIP to evaluate the best available technologies for transitioning from the current open air biosolids drying bed operation to mechanical dewatering and drying. This will reduce the current biosolids processing area from 800 acres to approximately 200 acres and would help reduce odor impacts to the surrounding neighborhoods. Actual implementation of the new technology for biosolids transition is being considered as part of Package 2.

The PMP includes additional biosolids processing improvement projects; however, these fall outside the Proposed CIP timeframe and will be considered with future CIP cycles.

Electrical Systems and Power Generation

The day-to-day operation of the Plant depends heavily on having reliable energy sources and safe, operable systems with built-in redundancy. Over the past five years, a number of electrical reliability projects (e.g., switchgear, breakers, and motor control centers) have been completed to improve the Plant’s electrical distribution system. The 2013-2017 Proposed CIP includes \$2.6 million for ongoing electrical reliability improvement projects.

With near term completion of the electrical reliability projects, the 2013-2017 Proposed

Water Pollution Control Capital Program

2013-2017 Proposed Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

CIP shifts to address the failing power generation equipment at the Plant.

An Energy Management Strategic Plan is currently being developed to provide a comprehensive look at the Plant's energy sources and uses based on different operating scenarios. Both a short term and long term strategy will be developed for implementing various combined heat and power projects at the Plant. These may include installation of one or more new gas turbines and/or internal combustion engines, transitional plan for existing engine-driven generators, blowers, chillers, boilers, etc. The study is expected to be completed in spring 2012 with staff recommendations to follow.

Funding for new gas turbines was included under the Plant Electrical Reliability appropriation in the 2012-2016 Adopted CIP, however, it is not reflected in the 2013-2017 Proposed CIP pending ongoing discussions related to alternative delivery options and financing strategies for the Package 2 projects.

Advanced Process Control Systems

The Plant is a highly complex, automated facility monitored and controlled by a complex system of instrumentation (meters, gauges, controllers, etc.) and a distributed control system (DCS). The DCS allows operators in a control center to remotely monitor and control operations of the treatment processes, such as opening a valve and adjusting flow through a certain process area utilizing information gathered through the meters and gauges. The 2013-2017 Proposed CIP includes \$3.7 million for

various automation upgrades including meter replacements and DCS upgrade/replacement:

- Advanced Process Control and Automation
- Treatment Plant Distributed Control System

The Advanced Process Control and Automation project aims at installing various meters and monitoring equipment throughout the Plant to allow automatic collection of Plant process control data (such as dissolved oxygen levels, solids content of wastewater) and reduce manual workload on operations and laboratory staff. Furthermore, this automatic data collection enables instantaneous process control decision making, pre-emptive operational control measures to avoid potential violations of the permit, and implementation of advanced training techniques such as process simulation modeling to help train operations staff on various process scenarios and the necessary corrective actions required. This training component of the program is becoming even more critical in light of recent turn-over of Plant operations staff.

The current DCS is outdated and is being phased out of support by the vendor. The Treatment Plant Distributed Control System project will replace all the hardware and software components of the DCS over a period of three to five years. Currently staff is working on entering into a contract with the vendor to provide software and implementation support for the upgrade.

Water Pollution Control Capital Program

2013-2017 Proposed Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

Site Facility Improvements

Much of the Plant's buildings and grounds are up to 50 years old. As the Plant expanded, support buildings and infrastructure have become decentralized, resulting in inefficient operations. The 2013-2017 Proposed CIP includes \$29.1 million for various site improvement projects.

These site improvements are representative of typical public works improvements projects, such as miscellaneous building improvements, warehouse facility additions, construction of a new administration building and roads, storm drainage improvements, equipment replacement, handrail replacements, and telecommunication systems upgrades.

South Bay Water Recycling Program

The South Bay Water Recycling (SBWR) System was authorized by the City Council in 1993 as a project to divert up to 15 million gallons per day of treated effluent from the bay during the summer by providing nonpotable recycled water to customers in Milpitas, Santa Clara and San José. Current SBWR projects underway include the SBWR Reservoir Facility, which is constructing an Advance Water Purification Center as a joint project with the Santa Clara Valley Water District (SCVWD). The Advance Water Purification Center will provide for additional filtration and treatment of the recycled water. This project is expected to be completed in 2012, marking a significant milestone in the evolution of SBWR. In addition, a continued collaborative effort is underway with the SCVWD for future expansion, operation, and maintenance of the system.

The SBWR Master Planning process is currently underway and expected to be completed by June 2013. The process will develop recommendations and options for SBWR's mandates, mission, service level, cost effectiveness, and funding, with the engagement of key stakeholders from the Plant Tributary Agencies and the SCVWD. The Master Plan will include an assessment of the ability of existing infrastructure to meet current and future recycled water demands, and identify future capital improvements to enhance system reliability and water quality. In August 2011, the U.S. Bureau of Reclamation awarded the City approximately \$1.0 million to conduct a feasibility study for improvements and expansions to the SBWR system, which will fund about half of this Master Planning effort.

This proposed CIP includes \$6.5 million for SBWR Reliability and Infrastructure Replacement Project. This \$6.5 million was part of the SBWR Master Plan allocation in the 2012-2016 Adopted CIP, but is being reallocated to the SBWR Reliability and Infrastructure Replacement project to more accurately reflect the purpose and priority of these funds.

Reserves

As in prior years, the 2013-2017 Proposed CIP includes a minimum \$5.0 million reserve for equipment replacement. This reserve minimum was established to satisfy the State Water Resources Control Board's (SWRCB) Fund Loan Agreement policy, the Clean Water Financing Authority (CWFA) bond covenants, and requirements in the Master Agreements for Wastewater Treatment between the City of San José, City of Santa Clara, and the Tributary Agencies.

Water Pollution Control Capital Program

2013-2017 Proposed Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

The 2013-2017 CIP includes several other reserves for projects which will need to be carried out in the next several years, but for which technologies, solutions or scope are currently being evaluated. These reserves include: a \$10.0 million Reserve for Electrical Systems and Power Generation, a \$6.0 million Reserve for Headworks, a \$6.0 million Reserve for New Filter Complex, a \$5.0 million Reserve for Biosolids Transition, a \$5.0 million Reserve for Digester Rehabilitation, a \$3.0 million Reserve for Advanced Process Control and Automation, and a \$1.0 million Reserve for East Primary Rehabilitation, Seismic Retrofit, and Odor Control. It should be noted that several reserves containing only San José funding included with the 2012-2016 CIP are no longer included with this CIP pending ongoing discussions on alternative delivery options for the biosolids transition and financing options for the Package 2 projects.

MAJOR CHANGES FROM THE 2012-2016 ADOPTED CIP

The 2013-2017 Proposed CIP has been adapted to reflect the PMP as well as the new "packaged approach" for implementation of the recommended capital improvement projects. An expanded partnership between ESD and the Public Works Department will enable dual implementation of the Package 1 projects (critical rehabilitation) and Package 2 projects (new technology projects) within the next two CIP cycles.

Projects to be implemented under Package 1 will utilize the traditional design/bid/build procurement method, whereas projects to be implemented under Package 2 are anticipated to utilize alternative delivery methods such as

design/build (D/B) and design/bid/operate (D/B/O).

Funding for "Package 1" projects is already programmed into the current City of San José sewer rate structure and revenues. The funding strategy for Package 2 projects is currently under discussion and may include bond financing options.

A number of projects included in the 2012-2016 CIP are now proposed under the Package 2, which is not programmed as part of this CIP. Most notably the Inactive Lagoons Bio-Solids Removal project (\$10.0 million) is no longer included in the CIP and the Plant Electrical Reliability project has been decreased by \$64.7 million. Other major changes from the 2012-2016 Adopted CIP include:

Preliminary Wastewater Treatment

- Decreased funding for the Headworks No. 2 Enhancement project (\$83.8 million)
- A new Headworks No. 2 Expansion project (\$79.4 million)
- A new Headworks No. 1 Repair and Rehabilitation project (\$6.0 million)

Secondary Wastewater Treatment

- A new BNR 1 & BNR 2 Connection project (\$14.5 million)
- Increased funding for the Fine Bubble Membrane Diffuser Conversion Project (\$5.6 million)

Water Pollution Control Capital Program
2013-2017 Proposed Capital Improvement Program
Overview

MAJOR CHANGES FROM THE 2012-2016 ADOPTED CIP

Tertiary Wastewater Treatment

- Decreased funding for the Filter Improvements project (\$3.9 million)
- Increased funding for the Alternative Disinfection Project (\$1.0 million)
- A new New Filter Technology project (\$1.0 million)

Biosolids

- Increased funding for the Digester Rehabilitation project (\$24.2 million)
- A new Biosolids Transition Technology project (\$1.0 million)

Electrical Systems and Power Generation

- A new Combined Heat & Power Equipment Repair and Rehab project (\$3.2 million)
- A new Combined Heat & Power Technology Evaluation project (\$1.3 million)

Advanced Process Control and Automation

- Decreased funding for the Advanced Process Control and Automation project (\$2.1 million)
- A new Treatment Plant Distributed Control System project (\$4.1 million)

Site Facility Maintenance and Improvements

- Decreased funding for the Plantwide Facilities project (formerly titled "Warehouse Facility Additions") (\$1.2 million)

- A new Treatment Plant Engine Rebuild project (\$3.0 million)
- A new Treatment Plant Fire Main Replacement project (\$2.4 million)
- A new ongoing Treatment Plant Street Resurfacing project (\$2.6 million over the CIP)
- A new ongoing Urgent and Unscheduled Treatment Plant Rehabilitation project (\$7.5 million over the CIP)

South Bay Water Recycling

- A suspension of the ongoing Revised South Bay Action Plan – SBWR Extension project pending the completion of the South Bay Water Master Plan
- Decreased funding for the ongoing South Bay Water Master Plan project (\$12.0 million)
- A new SBWR System Reliability and Infrastructure Replacement project (\$6.5 million)

Other Changes

In addition to the changes above, which are the result of changes in project cost, scope, or prioritization, two new projects – Program Management (\$10.0 million) and Preliminary Engineering (\$5.0 million) – have been added to address changes in the project management strategy in this CIP. In order to address Plant staffing challenges, program management consultant services will be procured. The consultants will oversee and provide quality assurance over the design, which will be performed by other consultants. The consultants will also augment the limited City resources in the areas of preliminary engineering and feasibility studies, which are

Water Pollution Control Capital Program

2013-2017 Proposed Capital Improvement Program
Overview

MAJOR CHANGES FROM THE 2012-2016 ADOPTED CIP

needed to refine PMP projects so they can be implemented.

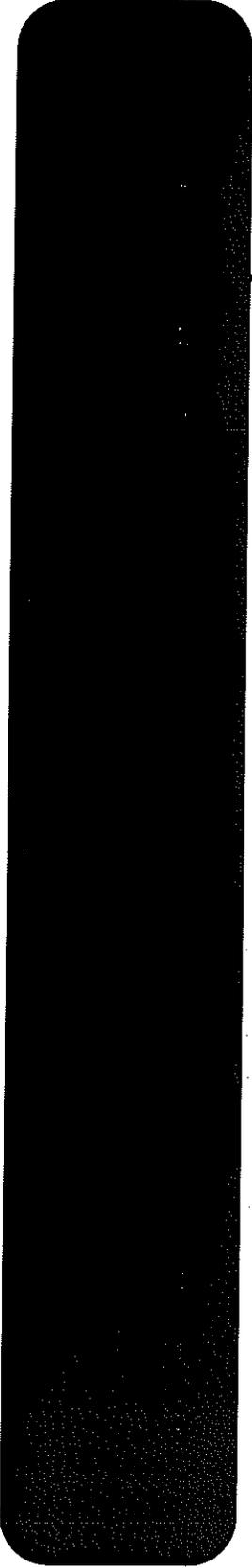
OPERATING BUDGET IMPACT

Only one of the projects in the 2013-2017 Proposed CIP, the Alternative Disinfection project, will impact operating costs. This project increases operating costs by \$1.0 million per year, for additional chemicals. Several other projects proposed in this CIP are aimed at reducing energy and operations costs. As projects are completed, and when energy usage data are available, savings will be evaluated for future reductions to the Environmental Services Department's utilities allocation.

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Attachment A - Operating Budget Impact

	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>
<u>Water Pollution Control</u>				
Alternative Disinfection	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total Water Pollution Control	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>

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2012-2013 CAPITAL BUDGET

2013-2017 CAPITAL IMPROVEMENT PROGRAM



WATER POLLUTION CONTROL

SOURCE OF FUNDS

USE OF FUNDS

The Source of Funds displays the capital revenues by funding source for each year of the Five-Year Capital Improvement Program. The Use of Funds displays the capital expenditures by line-item for each year of the five-year period.

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Source of Funds (Combined)

<u>SOURCE OF FUNDS</u>	<u>Estimated</u> <u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>5-Year</u> <u>Total</u>
<u>San José-Santa Clara Treatment Plant</u> <u>Capital Fund (512)</u>							
Beginning Fund Balance	92,645,543	73,030,097	20,091,097	6,417,097	5,316,097	6,785,097	73,030,097 *
Revenue from Other Agencies:							
<u>Federal Government</u>							
- Recovery Act - Federal Revenue	1,146,955						
- U.S. Bureau of Reclamation Grant	768,000	696,000	696,000	250,000	250,000	250,000	2,142,000
- WaterSMART Grant	1,000,000	498,000	497,000				995,000
<u>Water Pollution Control Plant User</u> <u>Agencies</u>							
- 2005 Bond Debt Repayment	1,224,000	1,222,000	1,223,000	1,216,000	1,221,000	1,070,000	5,952,000
- Equipment Replacement	587,000		587,000	587,000	587,000	587,000	2,348,000
- SRF Loan Repayment	1,374,000	1,374,000	1,374,000	1,374,000	1,374,000	1,374,000	6,870,000
- WPCP Projects	6,821,000	6,625,000	22,628,000	11,631,000	9,653,000	7,644,000	58,181,000
<u>Contributions, Loans and</u> <u>Transfers from:</u> <u>Special Funds</u>							
- Transfer from the Sewage Treatment Plant Connection Fee Fund (539)	3,090,000	3,090,000	3,090,000	3,090,000	3,090,000	3,090,000	15,450,000
- Transfer from the Sewer Service and Use Charge Fund (541)	27,808,000	23,312,000	36,500,000	27,000,000	25,660,000	21,690,000	134,162,000
<u>Interest Income</u>	193,000	327,000	782,000	1,072,000	1,105,000	1,044,000	4,330,000
<u>Miscellaneous Revenue</u>							
- Calpine Metcalf Energy Center Facilities Repayment	389,000	389,000	389,000	389,000	389,000	389,000	1,945,000
- SCVWD - AWT Contribution Reserve for Encumbrances	1,000,000	750,000					750,000
Total San José-Santa Clara Treatment Plant Capital Fund	165,190,097	111,313,097	87,857,097	53,026,097	48,645,097	43,923,097	306,155,097 *

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Source of Funds (Combined)

	Estimated 2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	5-Year Total
<u>SOURCE OF FUNDS (CONTD.)</u>							
<u>San José-Santa Clara Treatment Plant Capital Fund (512)</u>	165,190,097	111,313,097	87,857,097	53,026,097	48,645,097	43,923,097	306,155,097 *
TOTAL SOURCE OF FUNDS							

* The 2013-2014 through 2016-2017 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Use of Funds (Combined)

USE OF FUNDS	Estimated 2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	5-Year Total
Construction Projects							
Public Art							
Public Art	708,000	31,000	12,000	123,000	3,000		169,000
Total Public Art	708,000	31,000	12,000	123,000	3,000		169,000
Preliminary Wastewater Treatment							
1. Headworks No. 1 Repair & Rehabilitation		600,000	5,050,000	325,000			5,975,000
2. Headworks No. 2 Enhancement	4,965,000	2,250,000	225,000				2,475,000
3. Headworks No. 2 Expansion		500,000					500,000
Total Preliminary Wastewater Treatment	4,965,000	3,350,000	5,275,000	325,000			8,950,000
Primary Wastewater Treatment							
4. East Primary Rehabilitation, Seismic Retrofit, and Odor Control	728,000	1,000,000	2,000,000	5,000,000	9,760,000	12,820,000	30,580,000
5. Iron Salt Feed Station	1,340,000	1,000,000					1,000,000
Total Primary Wastewater Treatment	2,068,000	2,000,000	2,000,000	5,000,000	9,760,000	12,820,000	31,580,000
Secondary Wastewater Treatment							
6. BNR 1 & BNR 2 Connection		876,000	1,000,000	12,328,000	282,000		14,486,000
7. Fine Bubble Membrane Diffuser Conversion	750,000	250,000		2,166,000	1,770,000	2,478,000	6,664,000
8. Secondary and Nitrification Clarifier Rehabilitation	1,769,000	2,000,000	516,000	2,800,000	6,939,000	578,000	12,833,000
Total Secondary Wastewater Treatment	2,519,000	3,126,000	1,516,000	17,294,000	8,991,000	3,056,000	33,983,000
Tertiary Wastewater Treatment							
9. Alternative Disinfection	1,000	1,000,000					1,000,000

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Use of Funds (Combined)

<u>USE OF FUNDS (CONTD.)</u>	<u>Estimated</u> 2011-2012	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>5-Year</u> <u>Total</u>
Construction Projects							
Tertiary Wastewater Treatment							
10. Filter Improvements	322,000	500,000					500,000
11. New Filter Technology		1,000,000					1,000,000
Total Tertiary Wastewater Treatment	323,000	2,500,000					2,500,000
Biosolids							
Inactive Lagoons Bio-Solids Removal	852,000						
12. Biosolids Transition Technology		1,000,000					1,000,000
13. Digester Rehabilitation	8,140,000						
14. Dissolved Air Flotation Rehabilitation & Odor Control	158,000			3,000,000	1,100,000		56,100,000
		1,000,000					1,000,000
Total Biosolids	9,150,000	7,000,000	47,000,000	3,000,000	1,100,000		58,100,000
Electrical Systems and Power Generation							
Fuel Cell	1,165,000						
15. Combined Heat & Power Equipment Repair & Rehab		3,200,000					3,200,000
16. Combined Heat and Power Technology Evaluation		1,300,000					1,300,000
17. Plant Electrical Reliability	9,357,000						
		600,000	2,000,000				2,600,000
Total Electrical Systems and Power Generation	10,522,000	5,100,000	2,000,000				7,100,000
Advanced Process Control & Automation							
18. Advanced Process Control and Automation	1,285,000	1,060,000	640,000				1,700,000

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Use of Funds (Combined)

USE OF FUNDS (CONTD.)	Estimated	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	5-Year Total
	2011-2012						
Construction Projects							
Advanced Process Control & Automation							
19. Treatment Plant Distributed Control System	2,065,000	500,000	500,000	500,000	500,000		2,000,000
Total Advanced Process Control & Automation	3,350,000	1,560,000	1,140,000	500,000	500,000		3,700,000
Site Facility Maintenance and Improvements							
Outfall Channel & Levee Improvements	250,000						
WPCP Reliability Improvements	21,000						
20. Equipment Replacement	3,959,000	1,663,000	1,663,000	1,663,000	1,663,000	1,663,000	8,315,000
21. Plant Infrastructure Improvements	11,763,000	1,800,000	1,000,000	1,000,000	1,000,000	1,000,000	5,800,000
22. Plantwide Facilities	145,000	500,000					500,000
23. Treatment Plant Engine Rebuild	1,000,000	1,000,000	1,000,000				2,000,000
24. Treatment Plant Fire Main Replacement	1,200,000	1,200,000					1,200,000
25. Treatment Plant Street Resurfacing	500,000	575,000	500,000	500,000	500,000	500,000	2,575,000
26. Unanticipated/Critical Repairs	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
27. Urgent and Unscheduled Treatment Plant Rehabilitation	250,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Total Site Facility Maintenance and Improvements	19,338,000	8,488,000	5,913,000	4,913,000	4,913,000	4,913,000	29,140,000
South Bay Water Recycling							
Recovery Act - South Bay Water Recycling Phase 1C	1,147,000						
SBWR Backup Water Supply	3,000,000						

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Use of Funds (Combined)

<u>USE OF FUNDS (CONTD.)</u>	<u>Estimated</u> 2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	5-Year Total
<u>Construction Projects</u>							
South Bay Water Recycling							
SBWR Customer Connection Program	1,000,000						
SBWR Extension	13,881,000						
SBWR Reservoir Facility	3,059,000						
28. SBWR System Reliability and Infrastructure Replacement		2,000,000	1,500,000	1,500,000	1,500,000		6,500,000
Total South Bay Water Recycling	22,087,000	2,000,000	1,500,000	1,500,000	1,500,000		6,500,000
Total Construction Projects	75,030,000	35,155,000	66,356,000	32,655,000	26,767,000	20,789,000	181,722,000
<u>Non-Construction</u>							
<u>General Non-Construction</u>							
Capital Program and Public Works Department Support Service Costs	300,000	574,000	580,000	586,000	592,000	598,000	2,930,000
Plant Master Plan	3,022,000						
SBWR Master Plan	2,268,000						
Transfer to Clean Water Financing Authority Debt Service Payment Fund	6,956,000	6,947,000	6,953,000	6,915,000	6,943,000	6,787,000	34,545,000
29. Payment for Clean Water Financing Authority Trustee	5,000	5,000	5,000	5,000	5,000	5,000	25,000
30. Preliminary Engineering		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
31. Program Management		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
32. State Revolving Fund Loan Repayment	4,464,000	4,464,000	4,464,000	4,464,000	4,464,000	4,464,000	22,320,000
Total General Non-Construction	17,015,000	14,990,000	15,002,000	14,970,000	15,004,000	14,854,000	74,820,000

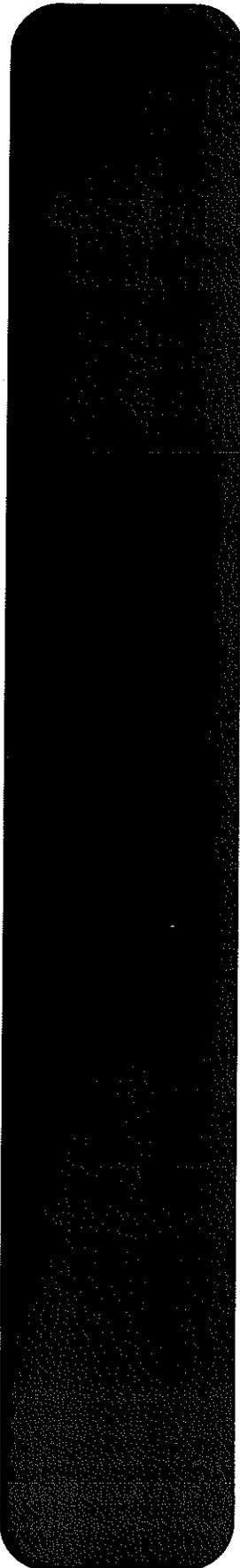
Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Use of Funds (Combined)

<u>USE OF FUNDS (CONTD.)</u>	<u>Estimated</u> 2011-2012	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>5-Year</u> <u>Total</u>
<u>Non-Construction</u>							
Contributions, Loans and Transfers to General Fund							
Transfer to the General Fund: Human Resources/Payroll System Upgrade	10,000						
Total Contributions, Loans and Transfers to General Fund	10,000						
Contributions, Loans and Transfers to Special Funds							
Transfer to the City Hall Debt Service Fund	47,000	77,000	82,000	85,000	89,000	93,000	426,000
Transfer to the Federated Retirement Fund for 2010-2011 Add'l Pymt	58,000						
Total Contributions, Loans and Transfers to Special Funds	105,000	77,000	82,000	85,000	89,000	93,000	426,000
Reserves							
Reserve for Advanced Process Control and Automation		3,000,000					3,000,000
Reserve for Biosolids Transition		5,000,000					5,000,000
Reserve for Digester Rehabilitation		5,000,000					5,000,000
Reserve for East Primary Rehabilitation, Seismic Retrofit, and Odor Control		1,000,000					1,000,000
Reserve for Electrical Systems & Power Generation		10,000,000					10,000,000
Reserve for Equipment Replacement		5,000,000					5,000,000
Reserve for Headworks		6,000,000					6,000,000
Reserve for New Filter Complex		6,000,000					6,000,000
Total Reserves		41,000,000					41,000,000

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Use of Funds (Combined)

	Estimated 2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	5-Year Total
USE OF FUNDS (CONT'D.)							
<u>Non-Construction</u>							
Total Non-Construction	17,130,000	56,067,000	15,084,000	15,055,000	15,093,000	14,947,000	116,246,000
Ending Fund Balance	73,030,097	20,091,097	6,417,097	5,316,097	6,785,097	8,187,097	8,187,097*
TOTAL USE OF FUNDS	165,190,097	111,313,097	87,857,097	53,026,097	48,645,097	43,923,097	306,155,097*

* The 2012-2013 through 2015-2016 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.



2012-2013 CAPITAL BUDGET

2013-2017 CAPITAL IMPROVEMENT PROGRAM



WATER POLLUTION CONTROL

DETAIL OF CONSTRUCTION PROJECTS

DETAIL OF NON-CONSTRUCTION PROJECTS

The Detail of Construction Projects section provides information on the individual construction projects with funding in 2012-2013. The Detail of Non-Construction Projects section is abbreviated and provides information on the individual non-construction project, with funding in 2012-2013. On the Use of Funds statement, these projects are numbered.

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

1. Headworks No. 1 Repair & Rehabilitation

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2015
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project will fund repairs to Headworks No. 1 (HW1), including rehabilitation of the bar screen, concrete, process piping and replacement of aerated grit tank classifiers, discharge valves, and channel gate valves. The Plant has two headworks facilities. HW1 was built in the mid-1950s and early 1960s, and HW2 was built in 2008. A number of repairs are needed on HW1 to keep it in operating condition until additional enhancement work is completed on HW2.

Justification: This project will allow HW1 to remain in operation until a permanent solution is implemented with either HW2 becoming the sole headworks facility or a decision is made to fully rehabilitate HW1. These two options are currently being evaluated, as described in the Headworks No. 2 Expansion project.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development			100						100		100
Design			500		100				600		600
Bid & Award					25				25		25
Construction					4,925	325			5,250		5,250
TOTAL				600	5,050	325			5,975		5,975

FUNDING SOURCE SCHEDULE (000'S)						
San José-Santa Clara Treatment Plant Capital Fund	2012-13	2013-14	2014-15	2015-16	2016-17	Project Total
	600	5,050	325			5,975
TOTAL	600	5,050	325			5,975

ANNUAL OPERATING BUDGET IMPACT (000'S)						
None						

Major Changes In Project Cost:

None

Notes:

This project corresponds to Plant Master Plan Project No. 2. Prior to 2012-2013, this project was incorporated under the Headworks Enhancements Project. The Headworks Enhancements project was retitled "Headworks No. 2 Enhancement" in the 2013-2017 CIP, and broken up into three separate projects.

FY Initiated:	2012-2013	Appn. #:	
Initial Project Budget:	\$5,975,000	USGBC LEED:	N/A

Water Pollution Control

2013-2017 Proposed Capital Improvement Program Detail of Construction Projects

2. Headworks No. 2 Enhancement

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2009
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	4th Qtr. 2011
Council District:	4	Revised Completion Date:	2nd Qtr. 2014
Location:	Water Pollution Control Plant		

Description: This project will make enhancements to Headworks No. 2 (HW2) to allow it to accommodate all dry weather flows when HW1 is taken out of service. HW2 was built in 2008 and designed to operate in parallel with HW1 to handle a combined peak wet weather flow of 400 mgd. Funding included in the 2013-2017 CIP funds Phase I of this project. Phase II is still under evaluation and may be incorporated into future CIPs. Phase I enhancements include: modifications to the raw sewage distribution structure, construction of a new 96-inch diameter connection pipeline, and re-routing of recycle flows and other process waters from HW1 to other structures.

Justification: This project will improve the functional reliability of HW2, reduce solids settling, improve plant hydraulics, and allow for easier maintenance and operational flexibility.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design	425	2,114	399	475					475		1,299
Bld & Award			20	20					20		40
Construction	3	2,851	4,546	1,755	225				1,980		6,529
TOTAL	428	4,965	4,965	2,250	225				2,475		7,868

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	428	4,965	4,965	2,250	225				2,475		7,868
TOTAL	428	4,965	4,965	2,250	225				2,475		7,868

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

2011-2015 CIP - Increase of \$1.2 million due to increased project scope.
 2012-2016 CIP - Increase of \$86.4 million due to the incorporation of the Headworks No. 2 Expansion project (shown as a stand-alone project in the 2011-2015 CIP) into this project.
 2013-2017 CIP - decrease of \$83.8 million due to creation of a new project for Headworks No. 2 Expansion project.

Notes:

This project corresponds to Plant Master Plan Project No. 1. Prior to 2012-2013, this project was entitled "Headworks Enhancements" This project formerly included funding for expansion of HW2, however, that funding has been moved to a new Headworks No. 2 Expansion project as part of the 2013-2017 CIP. As a result, the completion date for this project has been revised.

FY Initiated:	2009-2010	Appn. #:	7073
Initial Project Budget:	\$4,000,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

3. Headworks No. 2 Expansion

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: The funding included in this CIP will fund a study to evaluate two operational scenarios for the Headworks, and develop a comprehensive flow management strategy for the Plant headworks. Headworks No. 2 (HW2) was built in 2008 and designed to operate in parallel with Headworks No. 1 (HW1) to handle a combined peak wet weather flow of 400 mgd. Due to the age and condition of HW1, one option being explored is to decommission HW1 by expanding HW2 to allow it to serve as the sole headworks. A second option is to continue operating both HW1 and HW2, which would require full refurbishment of HW1 and eliminate the need to expand HW2. Depending on the outcome of the study and option selected, additional funding may be incorporated into future CIPs to either this HW2 Expansion project or the HW1 Repair & Rehabilitation project.

Justification: The study will provide additional information needed for informed decision making with regard to proceeding with a HW2 expansion build out, or full refurbishment of HW1, with the goal of selecting the option that best supports ongoing reliability, operational flexibility, ease of operation, and decreases the frequency of maintenance.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development				500					500		500
Design										2,367	2,367
Construction										76,533	76,533
TOTAL				500					500	78,900	79,400

FUNDING SOURCE SCHEDULE (000'S)						
Funding Source	2012-13	2013-14	2014-15	2015-16	2016-17	Project Total
San José-Santa Clara Treatment Plant Capital Fund	500					79,400
TOTAL	500					79,400

ANNUAL OPERATING BUDGET IMPACT (000'S)	
None	

Major Changes In Project Cost:

None

Notes:

This project corresponds to Plant Master Plan Project No. 3. Prior to 2012-2013, this project was incorporated under the Headworks Enhancements Project. The Headworks Enhancements project was retitled "Headworks No. 2 Enhancement" in the 2013-2017 CIP, and broken up into three separate projects. Initial start and completion dates displayed above refer to the study component only.

FY Initiated:	2012-2013	Appn. #:	
Initial Project Budget:	\$500,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

4. East Primary Rehabilitation, Seismic Retrofit, and Odor Control

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2009
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	3rd. Qtr. 2010
Department:	Environmental Services	Initial Completion Date:	4th Qtr. 2012
Council District:	4	Revised Completion Date:	4th Qtr. 2021
Location:	Water Pollution Control Plant		

Description: This project includes rehabilitation of existing primary clarifiers, including coating of concrete and replacement of clarifier mechanisms with corrosion resistant materials. It also includes modifications for seismic stability to accommodate odor control covers.

Justification: This project is needed to ensure the structural integrity and reliability of the aging clarifiers.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design	28	1,728	728	1,000	2,000				3,000		3,756
Construction						5,000	9,760	12,820	27,580	50,700	78,280
TOTAL	28	1,728	728	1,000	2,000	5,000	9,760	12,820	30,580	50,700	82,036

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund	28	1,728	728	1,000	2,000	5,000	9,760	12,820	30,580	50,700	82,036
TOTAL	28	1,728	728	1,000	2,000	5,000	9,760	12,820	30,580	50,700	82,036

ANNUAL OPERATING BUDGET IMPACT (000'S)											
None											

Major Changes in Project Cost:

2011-2015 CIP - CIP did not include a cost estimate for this project beyond 2012-2013 because the Master Plan was not yet completed during the development of the 2011-2015 CIP.

2012-2016 CIP - increase of \$80.1 million due to increase of scope to incorporate new Master Plan recommendations for seismic upgrades and odor control measures.

Notes:

This project corresponds to Plant Master Plan Projects No. 10 and 11. The East Primary Concrete Tank Repair and Stainless Steel Conversion became a stand-alone project in 2010-2011. Prior to this, funding for these activities was included in the Plant Infrastructure Improvements allocation. The Initial Start Date above refers to the date when these activities were initiated as part of the Plant Infrastructure Improvements allocation. Prior to the 2013-2017 CIP, this project was titled East Primary Concrete Tank Repair and Stainless Steel Conversion.

FY Initiated:	2010-2011	Appn. #:	7226
Initial Project Budget:	\$3,605,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

5. Iron Salt Feed Station

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2010
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	1st Qtr. 2012
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2012
Council District:	4	Revised Completion Date:	2nd Qtr. 2013
Location:	Water Pollution Control Plant		

Description: This project will construct a chemical storage tank, a concrete containment structure as well as pumps, piping and instrumentation to dose and deliver chemical solution to incoming wastewater.

Justification: The addition of iron salt to incoming wastewater will improve Plant operation by enhancing the settling of sludge in the primary clarifiers, and reducing corrosion and odor.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design		340	340								340
Construction		2,000	1,000	1,000					1,000		2,000
TOTAL		2,340	1,340	1,000					1,000		2,340

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	2,340	1,340	1,000						1,000		2,340
TOTAL	2,340	1,340	1,000						1,000		2,340

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes In Project Cost:

None

Notes:

This project corresponds to Plant Master Plan Project No. 14.

FY Initiated:	2010-2011	Appn. #:	7230
Initial Project Budget:	\$2,340,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

6. BNR 1 & BNR 2 Connection

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2016
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project will construct a new pipeline connection between Biological Nutrients Removal (BNR) 1 and 2. BNR 1 and BNR 2 both have clarifiers and aeration basins. BNR1 aeration has sufficient capacity to treat the entire flow coming through the Treatment Plant but only has half of the needed clarifier capacity. Interconnecting BNR1 and BNR2 allows the entire flow to be treated through BNR1 aeration and use only clarifier capacity in BNR 2, while not powering BNR 2 aeration.

Justification: Connecting BNR 1 and BNR 2 will decrease energy costs and mitigate the need to rehabilitate or increase the clarifier capacity in BNR 1 to match the aeration basin capacity. Energy costs will decrease because BNR 1 uses engines powered by digester gas, while BNR 2 uses electricity, which must be purchased.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development			876						876		876
Design				1,000					1,000		1,000
Construction					12,328	282			12,610		12,610
TOTAL				876	1,000	12,328	282		14,486		14,486

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	876	1,000	12,328	282	14,486	14,486
TOTAL	876	1,000	12,328	282	14,486	14,486

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

None

Notes:

This project corresponds to Plant Master Plan Project No. 18.

FY Initiated:	2012-2013	Appn. #:	
Initial Project Budget:	\$14,486,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

7. Fine Bubble Membrane Diffuser Conversion

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2010
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	2nd Qtr. 2012
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2022
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project will retrofit up to 24 aeration basins with fine bubble diffusers, including modifications to associated piping and other appurtenances. The project will also involve reconfiguration of interior baffle walls to provide for better compartmentalization of adjacent treatment zones, allowing for operations under different process scenarios for enhanced nutrient removal.

Justification: The aeration basins provide oxygen for the activated sludge process and account for a large portion of the Plant's overall energy use. Retrofitting the existing aeration basins with fine bubble diffusers will result in significant energy savings and help the Plant to achieve its goal of becoming energy self-sufficient by 2022. The project will also help to achieve enhanced nutrient removal and produce a better settling sludge, which in turn will lead to better performing secondary clarifiers and filters.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development		750	750			2,166			2,166		2,916
Design				50			1,770		1,820		1,820
Construction				200				2,478	2,678	28,986	31,664
TOTAL		750	750	250		2,166	1,770	2,478	6,664	28,986	36,400

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	750	750	250		2,166	1,770	2,478	6,664	28,986	36,400
TOTAL	750	750	250		2,166	1,770	2,478	6,664	28,986	36,400

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes In Project Cost:

2012-2016 CIP - increase of \$1.5 million due to revised cost estimate.
 2013-2017 CIP - increase of \$5.6 million is due to a refinement of the cost estimate.

Notes:

This project corresponds to Plant Master Plan Project No. 24.

FY Initiated:	2010-2011	Appn. #:	7228
Initial Project Budget:	\$29,300,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

8. Secondary and Nitrification Clarifier Rehabilitation

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2009
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2024
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project includes systematic rehabilitation of existing secondary and nitrification clarifiers, including coating of concrete tanks and rehabilitation of clarifier mechanisms. The clarifiers are large concrete tanks that serve to treat the wastewater by allowing for solids to settle out to the bottom of the tanks. The treated wastewater flows to the next treatment phase and the solids are removed from the bottom of the clarifiers for further treatment.

Justification: This project is needed to ensure the structural integrity and reliability of the aging clarifiers.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development	810	3,769	1,769	2,000					2,000		4,579
Design	18				516				516		534
Construction						2,800	6,939	578	10,317	11,271	21,588
TOTAL	828	3,769	1,769	2,000	516	2,800	6,939	578	12,833	11,271	26,701

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund	828	3,769	1,769	2,000	516	2,800	6,939	578	12,833	11,271	26,701
TOTAL	828	3,769	1,769	2,000	516	2,800	6,939	578	12,833	11,271	26,701

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes in Project Cost:
None

Notes:

This project corresponds to Plant Master Plan Project No. 21 and 23. Condition assessment studies are currently underway and will serve as the basis for developing a pilot project to test various equipment and configurations on one secondary clarifier and one nitrification clarifier before undertaking extensive rehabilitation on all 26 secondary clarifiers and 16 nitrification clarifiers. Prior to the 2013-2017 CIP, this was an ongoing project, however with the refinement of the project schedule, it has been converted to a finite project.

FY Initiated:	2009-2010	Appn. #:	7074
Initial Project Budget:	\$26,701,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

9. Alternative Disinfection

CSA:	Environmental and Utility Services	Initial Start Date:	2nd Qtr. 2004
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	3rd Qtr. 2007
Council District:	4	Revised Completion Date:	2nd Qtr. 2013
Location:	Water Pollution Control Plant		

Description: This project funds the design and construction of facilities to replace the gaseous chlorine and sulfur dioxide system with a liquid sodium hypochlorite and sodium bisulfite system. The 2012-2013 funding shown below specifically funds the decommissioning of the chlorine and sulfur dioxide facilities.

Justification: This project is needed to reduce risk associated with the potential release of sulfur dioxide and chlorine gas.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design	698	1	1	1,000					1,000		1,699
Construction	10,142										10,142
TOTAL	10,840	1	1	1,000					1,000		11,841

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	10,840	1	1	1,000					1,000		11,841
TOTAL	10,840	1	1	1,000					1,000		11,841

ANNUAL OPERATING BUDGET IMPACT (000'S)

Maintenance*											
Operating*				1,000	1,000	1,000	1,000				
TOTAL				1,000	1,000	1,000	1,000				

Major Changes in Project Cost:

2005-2009 CIP - Increase of \$4.5 million to allocate funds from prior Reserve for Alternate Disinfection.

2007-2011 CIP - Increase of \$1.8 million due to higher than anticipated construction costs.

2009-2013 CIP - Increase of \$3.6 million due to higher than anticipated construction costs.

2013-2017 CIP - Increase of \$1.0 million to fund demolition/decommissioning work.

Notes:

The estimated start date reflects the start of the alternative disinfection study, which preceded the construction project described here. Construction began in 2007-2008. The estimated end date reflects the anticipated project completion.

* The City Council approved additional operating and maintenance costs as part of the 2009-2010 Adopted Operating Budget. These ongoing expenditures of \$1.0 million annually for additional chemical costs are reflected in the San Jose-Santa Clara Treatment Plant Operating Fund in the operating budget.

FY Initiated:	2003-2004	Appn. #:	4679
Initial Project Budget:	\$500,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

10. Filter Improvements

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2011
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project replaces the existing filter underdrain system and filter media. Funding included in 2011-2012 had provided for the conversion of one filter bay to the new underdrain system on a full-scale demonstration basis. Funding included in the 2013-2017 CIP allows for miscellaneous filter valve replacements and repairs while operation and performance of the new underdrain system is being evaluated. Depending on the outcome of the demonstration project, some or all of the remaining filters may be converted to the new underdrain system and filter media.

Justification: The existing filters at the Water Pollution Control Plant were constructed in the 1970s and require interim improvements to ensure continued regulatory compliance and operational reliability while awaiting transition to a new filter complex.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development				500					500		500
Design		200	200								200
Construction		122	122							2,684	2,806
TOTAL		322	322	500					500	2,684	3,506

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	322	322	500						500	2,684	3,506
TOTAL	322	322	500						500	2,684	3,506

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

2013-2017 CIP - decrease of \$3.9 million due to reduction in project scope.

Notes:

This project corresponds to Plant Master Plan Project No. 31 and 34.

This project became a stand-alone project in 2010-2011. Previously, it was part of the Plant Infrastructure Improvements project, which is ongoing in nature. A finite schedule has been established for this project in the 2013-2017 CIP. The above initial start and completion dates refer only to the demonstration phase of this project. The funding displayed in the "Beyond 5-Year" column above represents a preliminary estimate of the cost to refurbish the remaining filter bays.

FY Initiated:	2010-2011	Appn. #:	7227
Initial Project Budget:	\$3,506,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

11. New Filter Technology

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project will study, evaluate, and pilot test candidate replacement filter technologies in advance of full-scale transition to a new filter complex. A wide variety of new filter technologies are available, with new technologies continuing to be introduced into the market. This funding will provide for the selection and field testing of one or more new filter technologies. In addition, reserves are set aside in this CIP for further development of the new filter complex project concept. Depending on the outcome of the field testing, additional funding for full scale project implementation may be incorporated in future CIPs. The construction of the new filter complex would be part of the "Package 2" projects, described in the Overview of this CIP.

Justification: Due to the age and condition of the existing filters, a significant investment would be required to refurbish and retain them for future use. In lieu of (or in combination with limited refurbishment), a new filter complex could be constructed utilizing new filter technologies at a potentially lower cost. Evaluation and pilot testing of new filter technologies will ensure that the most appropriate and cost effective solution is selected for the Plant.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development				1,000					1,000		1,000
TOTAL				1,000					1,000		1,000

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	1,000	1,000	1,000
TOTAL	1,000	1,000	1,000

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:
None

Notes:

This project corresponds to Plant Master Plan Project No. 33.
Initial start and completion dates above are only for the study component.

FY Initiated:	2012-2013	Appn. #:	
Initial Project Budget:	\$1,000,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

12. Biosolids Transition Technology

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: The project will study, evaluate, and pilot test candidate mechanical sludge dewatering technologies in advance of full-scale transition to a new biosolids processing operations. A wide variety of biosolids processing technology is available. This funding will provide for the selection and field testing of one or more biosolids processing technologies. In addition, reserves are set aside in this CIP for further development of the new biosolids processing complex concept. Depending on the outcome of the technology study, additional funding for full scale project implementation may be incorporated in future CIPs. The construction of the new biosolids processing complex would be part of the "Package 2" projects, described in the Overview of this CIP.

Justification: The transition to a new biosolids processing method involves significant capital investments and major changes to the Plant operations. Therefore, careful evaluation of available technologies, cost, and operational impacts is needed prior to field testing and full scale implementation.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development			1,000						1,000		1,000
TOTAL			1,000						1,000		1,000

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	1,000	1,000	1,000
TOTAL	1,000	1,000	1,000

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

None

Notes:

This project corresponds to Plant Master Plan Project No. 58.

FY Initiated:	2012-2313	Appn. #:	
Initial Project Budget:	\$1,000,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

13. Digester Rehabilitation

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2006
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	3rd Qtr. 2008
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2008
Council District:	4	Revised Completion Date:	3rd Qtr. 2015
Location:	Water Pollution Control Plant		

Description: This project will rehabilitate a total of ten anaerobic digesters at the Water Pollution Control Plant. This funding and timeline represent the rehabilitation of the initial four digesters. New digester covers and mixing systems, along with heating system upgrades will be included in the project. In addition, six dissolved air flotation units will be modified to allow for co-thickening and odor control upgrades. This project will also construct a new above ground gas manifold to connect all digester gas laterals.

Justification: The Plant has a total of 16 digesters all of which were built between 1956 and 1983. A number of digesters are out of service due to age and condition. The digesters that remain in operations are nearing the end of their useful life. This project is needed to ensure reliability in the digestion process.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development	253										253
Design	593	3,377	3,377								3,970
Construction	1	9,763	4,763	5,000	47,000	3,000	1,100		56,100		60,864
TOTAL	847	13,140	8,140	5,000	47,000	3,000	1,100		56,100		65,087

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund	847	13,140	8,140	5,000	47,000	3,000	1,100		56,100		65,087
TOTAL	847	13,140	8,140	5,000	47,000	3,000	1,100		56,100		65,087

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes in Project Cost:

- 2008-2012 CIP - increase of \$1.6 million based on revised estimates during initial study.
- 2009-2013 CIP - increase of \$84.0 million to fund construction/rehabilitation costs due to increased project scope.
- 2010-2014 CIP - increase of \$11.5 million due to incorporation of digester gas line replacement.
- 2011-2015 CIP - decrease of \$34.0 million due to decrease in the number of digesters from eleven to four.
- 2012-2016 CIP - decrease of \$23.2 million due to realignment of project to the Plant Master Plan estimate.
- 2013-2017 CIP - increase of \$24.2 million due to revisions in the cost estimation methodology.

Notes:

This project replaced the Scum Digestion project in 2009-2010. This project corresponds to Plant Master Plan Project No. 45 and 47-53.

FY Initiated:	2006-2007	Appn. #:	4127
Initial Project Budget:	\$1,000,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

14. Dissolved Air Flotation Rehabilitation & Odor Control

CSA:	Environmental and Utility Services	Initial Start Date:	4th Qtr. 2010
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	1st Qtr. 2012
Council District:	4	Revised Completion Date:	3rd Qtr. 2012
Location:	Water Pollution Control Plant		

Description: This project will replace the existing pipe manifold and the pressure flow discharge valves in the Sludge Control building, and may incorporate some improvements to the dissolved air flotation (DAF) tanks. The project was originally conceived as a stand-alone project but may be integrated with the Digester Rehabilitation project in future CIPs, since these two projects are inter-related.

Justification: The existing sludge manifold and flow discharge valves are leaking and deteriorated requiring excessive maintenance and repairs. This project is needed to ensure the structural integrity of the pipe manifold and sludge pumping process.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design	80										80
Construction		1,158	158	1,000					1,000		1,158
TOTAL	80	1,158	158	1,000					1,000		1,238

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund	80	1,158	158	1,000					1,000		1,238
TOTAL	80	1,158	158	1,000					1,000		1,238

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes In Project Cost:
None

Notes:
Prior to the 2013-2017 CIP this project was entitled "Dissolved Air Flotation Dissolution Improvements". The project name changed in order to better reflect the revised project scope.

FY Initiated:	2010-2011	Appn. #:	7225
Initial Project Budget:	\$1,479,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

15. Combined Heat & Power Equipment Repair & Rehab

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project replaces or rehabilitates cooling towers, chillers, gas compressors, radiator assemblies, pumps, and other support systems at the Plant.

Justification: This project will keep the Plant's engines and auxillary systems operating until they are replaced by gas turbines or Internal Combustion Engines (ICE).

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development				3,200					3,200		3,200
TOTAL				3,200					3,200		3,200

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund											
				3,200					3,200		3,200
TOTAL				3,200					3,200		3,200

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

None

Notes:

This project corresponds to Plant Master Plan Project No. 95 and 96.

FY Initiated:	2012-2013	Appn. #:	
Initial Project Budget:	\$3,200,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

16. Combined Heat and Power Technology Evaluation

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: The Plant currently uses engine-generators to meet a portion of its power needs. While these systems meet current air regulations, it is anticipated these regulations will become more stringent in the future. The Plant will need to replace the existing engines with a lower emissions technology, such as fuel cells, gas turbines, or newer internal combustion engines (ICE). This project will evaluate these technologies in greater detail.

Justification: Due to transition to a new technology, engineering evaluation and analysis are required to define technical requirements for the various combined heat and power improvements.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development				1,300					1,300		1,300
TOTAL				1,300					1,300		1,300

FUNDING SOURCE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
San José-Santa Clara Treatment Plant Capital Fund				1,300					1,300		1,300
TOTAL				1,300					1,300		1,300

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes In Project Cost:

None

Notes:

FY Initiated:	2012-2013	Appn. #:	
Initial Project Budget:	\$1,300,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

17. Plant Electrical Reliability

CSA: Environmental and Utility Services **Initial Start Date:** 3rd Qtr. 2003
CSA Outcome: Reliable Utility Infrastructure **Revised Start Date:**
Department: Environmental Services **Initial Completion Date:** 2nd Qtr. 2014
Council District: 4 **Revised Completion Date:**
Location: Water Pollution Control Plant

Description: This project replaces substations and switches, modifies power distribution buses and cabling, and provides backup systems to enhance the overall safety and reliability of the Plant electrical systems. The project includes a multi-phase construction schedule based upon a study completed in 2004.

Justification: The current power distribution network has grown in a patched manner over the years, and many electrical system components have reached the end of their service life. This project addresses immediate safety needs, and provides for future reliability needs.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design	6,088	1,896	1,896	600					600		8,584
Construction	8,356	7,461	7,461		2,000				2,000		17,817
TOTAL	14,444	9,357	9,357	600	2,000				2,600		26,401

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	14,444	9,357	9,357	600	2,000				2,600		26,401
TOTAL	14,444	9,357	9,357	600	2,000				2,600		26,401

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes In Project Cost:

2005-2009 CIP - Increase of \$33.5 million to fund construction/rehabilitation costs due to increased project scope.
 2007-2011 CIP - Increase of \$15.6 million to fund construction/rehabilitation costs due to increased project scope.
 2008-2012 CIP - Increase of \$26.5 million to fund construction/rehabilitation costs due to increased project scope.
 2009-2013 CIP - decrease of \$3.0 million to reflect a project scope change.
 2011-2015 CIP - Increase of \$11.4 million due to increased project scope.
 2013-2017 CIP - decrease of \$64.7 million due to removal of the Gas Turbine/ICE Engine project scope, which is being refined and will be included as part of the Package 2 projects described in the Overview of this CIP.

Notes:

This project replaces a formerly ongoing allocation titled "Electrical System Improvements."

FY Initiated: 2003-2004 **Appn. #:** 4341
Initial Project Budget: \$7,671,000 **USGBC LEED:** N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

18. Advanced Process Control and Automation

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2010
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2014
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project installs various meters and monitoring equipment throughout the Plant to allow automatic collection of Plant process control data (such as dissolved oxygen levels, and solids content of wastewater) and reduce manual workload on operations and laboratory staff. Furthermore, this automatic data collection enables instantaneous process control decision making, pre-emptive operational control measures to avoid potential violations of the National Pollutant Discharge Elimination System (NPDES) Permit, and implementation of advanced training techniques such as process simulation modeling to help train operations staff on various process scenarios and the necessary corrective actions required. The funding provided in this CIP is aimed specifically at a Meter Validation and Replacement Program to improve the accuracy and reliability of existing meters at the Plant. As Advanced Process Control and Automation needs are scoped in greater detail, additional funding will likely be added to this project in future CIPs to address further needs.

Justification: This project is needed to reduce workloads, improve operational reliability and meet staff training needs. The ability to train staff using process simulation is becoming even more critical in light of recent retirements and other staff retention challenges at the Plant.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Equipment	34	1,285	1,285	1,060	640				1,700		3,019
TOTAL	34	1,285	1,285	1,060	640				1,700		3,019

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund	34	1,285	1,285	1,060	640				1,700		3,019
TOTAL	34	1,285	1,285	1,060	640				1,700		3,019

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes in Project Cost:

2012-2016 CIP - decrease of \$5.9 million due to decreased scope.
 2013-2017 CIP - decrease of \$2.1 million due to the establishment of the Treatment Plant Distributed Control System in its own appropriation as part of the 2011-2012 Mid-Year Budget Review.

Notes:

This project corresponds to Plant Master Plan Project No. 89-92.

FY Initiated:	2010-2011	Appn. #:	7224
Initial Project Budget:	\$11,000,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

19. Treatment Plant Distributed Control System

CSA:	Environmental and Utility Services	Initial Start Date:	1st Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2016
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project will upgrade and convert the existing Distributed Control System (DCS) at the Plant. The system is composed of a network of field controllers, workstations; and servers that control most aspects of Plant operations.

Justification: The current control system is outdated and will no longer be supported by the vendor beginning in 2015. Upgrading the system is vital to maintaining efficient operations and improving monitoring capabilities.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design		2,065	2,065	500	500	500	500		2,000		4,065
TOTAL		2,065	2,065	500	500	500	500		2,000		4,065

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund		2,065	2,065	500	500	500	500		2,000		4,065
TOTAL		2,065	2,065	500	500	500	500		2,000		4,065

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes In Project Cost:

None

Notes:

This project was allocated in the 2011-2012 Mid-Year Budget Review. Prior to this action, this project was part of the Equipment Replacement and Advanced Process Control and Automation appropriations.

FY Initiated:	2012-2013	Appn. #:	7394
Initial Project Budget:	\$4,065,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

20. Equipment Replacement

CSA:	Environmental and Utility Services	Initial Start Date:	Ongoing
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	Ongoing
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This allocation provides for ongoing replacement and rehabilitation of equipment at the Plant. Equipment anticipated to be replaced or rehabilitated includes air compressors, tanks, pumps, motors, control systems, valves, heat exchangers, engine auxiliaries, lab instruments and other equipment as required. Existing engine-generators and engine-blowers will be retrofitted to meet Air Quality Board emission requirements.

Justification: Replacement and rehabilitation of WPCP equipment is necessary as a result of wear, obsolescence or regulatory requirements. Replacement and rehabilitation will ensure continued efficient operation of the Plant facilities.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Equipment		3,959	3,959	1,663	1,663	1,663	1,663	1,663	8,315		
TOTAL		3,959	3,959	1,663	1,663	1,663	1,663	1,663	8,315		

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	3,959	3,959	1,663	1,663	1,663	1,663	1,663	1,663	8,315		
TOTAL	3,959	3,959	1,663	1,663	1,663	1,663	1,663	1,663	8,315		

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

N/A

Notes:

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

FY Initiated:	Ongoing	Appn. #:	4332
Initial Project Budget:		USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

22. Plantwide Facilities

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2010
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project will assess the facility needs at the Plant, including training spaces and inventory storage needs. Once the assessment has been completed, as part of future CIPs, additional funding will be proposed for this project to fund the required facility improvements.

Justification: This project will allow for the planning of new facilities and support buildings at the Water Pollution Control Plant based on its current and future needs.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design	5	145	145	500					500		650
TOTAL	5	145	145	500					500		650

FUNDING SOURCE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
San José-Santa Clara Treatment Plant Capital Fund	5	145	145	500					500		650
TOTAL	5	145	145	500					500		650

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes in Project Cost:

2013-2017 CIP - decrease of \$1.2 million due to a reduction in project scope pending the completion of a facilities needs assessment.

Notes:

Prior to the 2013-2017 CIP this project was entitled "Warehouse Facility Additions". The name was changed because the project is now a broader Plantwide Facilities Assessment that includes all Plant support buildings and new facilities.

FY Initiated:	2010-2011	Appn. #:	7231
Initial Project Budget:	\$1,800,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

23. Treatment Plant Engine Rebuild

CSA:	Environmental and Utility Services	Initial Start Date:	1st Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2014
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project will fund a master service agreement for original equipment manufacturer parts for the engines in Building 40 and the Pump & Engine Building, allowing engine rebuild assemblies.

Justification: This project will improve the reliability of the Water Pollution Control Plant's engines and keep them operational until they are replaced with new gas turbines or lateral combustion engines.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Construction		1,000	1,000	1,000	1,000				2,000		3,000
TOTAL		1,000	1,000	1,000	1,000				2,000		3,000

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund		1,000	1,000	1,000	1,000				2,000		3,000
TOTAL		1,000	1,000	1,000	1,000				2,000		3,000

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

None

Notes:

This project was previously included as part of the Plant Infrastructure Improvements appropriation and became a stand alone project as part of the 2011-2012 Mid-Year Budget Review.

FY Initiated:	2011-2012	Appn. #:	7393
Initial Project Budget:	\$3,000,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

24. Treatment Plant Fire Main Replacement

CSA:	Environmental and Utility Services	Initial Start Date:	1st Qtr. 2012
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2013
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: The fire main piping system, which is part of the Fire Protection System (FPS) for the San Jose/Santa Clara Water Pollution Control Plant (Plant), consists of approximately 15,000 linear feet of pipes ranging from 6, 8, 10, and 12 inches, two 100-HP electric pumps, fire hydrants, and associated valves. The fire main piping was installed as the Plant expanded over the past 50 years. A condition assessment was conducted in 2007 by a consultant and revealed that most of the existing pipe is corroded. This funding rehabilitates the system.

Justification: This project will ensure the reliability of the fire protection system at the Plant.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Design		300	300	300					300		600
Construction		900	900	900					900		1,800
TOTAL		1,200	1,200	1,200					1,200		2,400

FUNDING SOURCE SCHEDULE (000'S)										
Funding Source	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
San José-Santa Clara Treatment Plant Capital Fund	1,200	1,200	1,200					1,200		2,400
TOTAL	1,200	1,200	1,200					1,200		2,400

ANNUAL OPERATING BUDGET IMPACT (000'S)	
None	

Major Changes in Project Cost:
None

Notes:
This project was previously included as part of the Plant Infrastructure Improvements appropriation and became a stand alone project as part of the 2011-2012 Mid-Year Budget Review.

FY Initiated:	2012-2013	Appn. #:	7397
Initial Project Budget:	\$2,400,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

25. Treatment Plant Street Resurfacing

CSA:	Environmental and Utility Services	Initial Start Date:	Ongoing
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	Ongoing
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project involves phased rehabilitation of the Plant's street network, parking lots, and other hardscaped areas. The Plant has approximately five miles of streets and access roads.

Justification: This project is needed to rehabilitate and maintain the streets, curb and gutters, and parking lots at the Plant.

EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development		500	500	575	500	500	500	500	2,575		
TOTAL		500	500	575	500	500	500	500	2,575		

FUNDING SOURCE SCHEDULE (000'S)

San José-Santa Clara Treatment Plant Capital Fund	500	500	575	500	500	500	500	500	2,575		
TOTAL	500	500	575	500	500	500	500	500	2,575		

ANNUAL OPERATING BUDGET IMPACT (000'S)

None

Major Changes in Project Cost:

N/A

Notes:

Project schedule dates and select budget information are not provided due to the ongoing nature of this project. This project was previously included as part of the Plant Infrastructure Improvements appropriation and became a stand alone project as part of the 2011-2012 Mid-Year Budget Review.

FY Initiated:	Ongoing	Appn. #:	7396
Initial Project Budget:		USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

26. Unanticipated/Critical Repairs

CSA:	Environmental and Utility Services	Initial Start Date:	Ongoing
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	Ongoing
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This allocation provides funding for any unanticipated and/or critical repairs such as sudden equipment failures (i.e., pumps, motors, valves, engines, etc.) and/or unanticipated situations that may arise during project construction.

Justification: It is necessary to have funds available to facilitate a rapid response in the event that critical repairs are required to Plant infrastructure, or an unforeseen situation arises during project construction.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Construction		250	250	250	250	250	250	250	1,250		
TOTAL		250	250	250	250	250	250	250	1,250		

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund		250	250	250	250	250	250	250	1,250		
TOTAL		250	1,250								

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes in Project Cost:
N/A

Notes:
Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

FY Initiated:	Ongoing	Appn. #:	5691
Initial Project Budget:		USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

27. Urgent and Unscheduled Treatment Plant Rehabilitation

CSA:	Environmental and Utility Services	Initial Start Date:	Ongoing
CSA Outcome:	Reliable Utility Infrastructure	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	Ongoing
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This ongoing allocation is used to investigate, prioritize, and rehabilitate structures and systems at the Water Pollution Control Plant. This funding will be used to respond to the Plant's urgent maintenance and rehabilitation needs that cannot be programmed during the annual CIP budget process.

Justification: This allocation is required due to the deterioration of structures and systems at the Plant.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development		250	250	1,500	1,500	1,500	1,500	1,500	7,500		
TOTAL		250	250	1,500	1,500	1,500	1,500	1,500	7,500		

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund		250	250	1,500	1,500	1,500	1,500	1,500	7,500		
TOTAL		250	250	1,500	1,500	1,500	1,500	1,500	7,500		

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes In Project Cost:
N/A

Notes:
Project schedule dates and selected budget information are not provided due to the ongoing nature of this project. This project was previously included as part of the Plant Infrastructure Improvements and Equipment Replacement appropriations and became a stand alone project as part of the 2011-2012 Mid-Year Budget Review.

FY Initiated:	Ongoing	Appn. #:	7395
Initial Project Budget:		USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Construction Projects

28. SBWR System Reliability and Infrastructure Replacement

CSA:	Environmental and Utility Services	Initial Start Date:	3rd Qtr. 2012
CSA Outcome:	Safe, Reliable, and Sufficient Water Supply	Revised Start Date:	
Department:	Environmental Services	Initial Completion Date:	2nd Qtr. 2016
Council District:	4	Revised Completion Date:	
Location:	Water Pollution Control Plant		

Description: This project implements the projects identified and prioritized in a recently completed condition assessment of the South Bay Water Recycling (SBWR) System. The assessment prioritized near-term system reliability upgrade and infrastructure replacement needs, including control and communication system improvements, pump station replacement, and rehabilitation of pumps, motors, and ancillary equipment.

Justification: This project improves system reliability, addresses critical infrastructure needs, and insures the integrity and reliability of the distribution system.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Construction				2,000	1,500	1,500	1,500		6,500		6,500
TOTAL				2,000	1,500	1,500	1,500		6,500		6,500

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund				2,000	1,500	1,500	1,500		6,500		6,500
TOTAL				2,000	1,500	1,500	1,500		6,500		6,500

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

Major Changes in Project Cost:

None

Notes:

Prior to 2012-2013, this funding was included as part of the SBWR Master Plan project, but has been converted into a distinct project to more accurately reflect the purpose of these funds.

FY Initiated:	2012-2013	Appn. #:	
Initial Project Budget:	\$6,500,000	USGBC LEED:	N/A

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Non-Construction Projects

29. Payment for Clean Water Financing Authority Trustee

CSA: Environmental and Utility Services
CSA Outcome: Reliable Utility Infrastructure
Department: Environmental Services
Description: This allocation provides for administrative costs of the San José/Santa Clara Clean Water Financing Authority related to bond issuances, including necessary audits, transfers, registration, investment, and disbursement fees.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Program Management		5	5	5	5	5	5	5	25		
TOTAL		5	5	5	5	5	5	5	25		

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund		5	5	5	5	5	5	5	25		
TOTAL		5	5	5	5	5	5	5	25		

Notes:

Selected budget information is not provided due to the ongoing nature of this project.

Appn. #: 6584

30. Preliminary Engineering

CSA: Environmental and Utility Services
CSA Outcome: Reliable Utility Infrastructure
Department: Environmental Services
Description: This allocation provides funding to support preliminary engineering for Plant-related projects, including studies, pilots, and field verifications to evaluate impacts on operations.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Development				1,000	1,000	1,000	1,000	1,000	5,000		
TOTAL				1,000	1,000	1,000	1,000	1,000	5,000		

FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund				1,000	1,000	1,000	1,000	1,000	5,000		
TOTAL				1,000	1,000	1,000	1,000	1,000	5,000		

Appn. #:

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Detail of Non-Construction Projects

31. Program Management

CSA: Environmental and Utility Services
CSA Outcome: Reliable Utility Infrastructure
Department: Environmental Services
Description: This allocation funds the administration and management of the Plant Capital Improvement Program.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Program Management				2,000	2,000	2,000	2,000	2,000	10,000		
TOTAL				2,000	2,000	2,000	2,000	2,000	10,000		
FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund				2,000	2,000	2,000	2,000	2,000	10,000		
TOTAL				2,000	2,000	2,000	2,000	2,000	10,000		

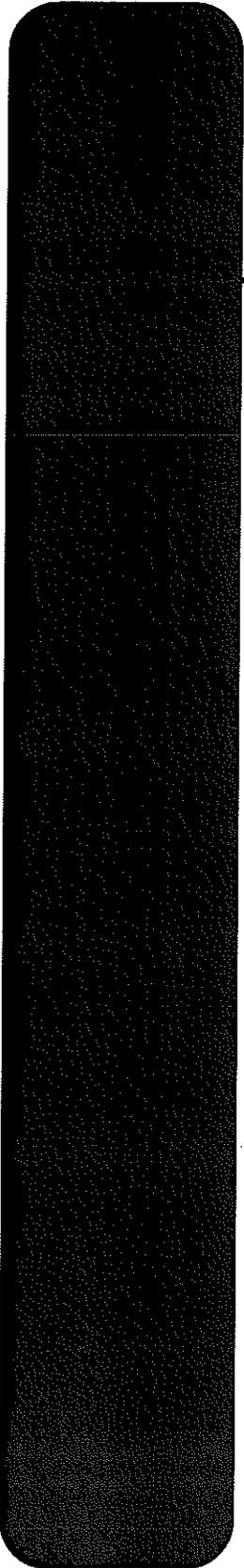
Appn. #:

32. State Revolving Fund Loan Repayment

CSA: Environmental and Utility Services
CSA Outcome: Healthy Streams, Rivers, Marsh and Bay
Department: Environmental Services
Description: This allocation provides for the repayment of low interest State loans awarded for South Bay Water Recycling projects.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2011-12 Appn.	2011-12 Estimate	2012-13	2013-14	2014-15	2015-16	2016-17	5-Year Total	Beyond 5-Year	Project Total
Debt Service	54,383	4,464	4,464	4,464	4,464	4,464	4,464	4,464	22,320	7,113	88,280
TOTAL	54,383	4,464	4,464	4,464	4,464	4,464	4,464	4,464	22,320	7,113	88,280
FUNDING SOURCE SCHEDULE (000'S)											
San José-Santa Clara Treatment Plant Capital Fund	54,383	4,464	4,464	4,464	4,464	4,464	4,464	4,464	22,320	7,113	88,280
TOTAL	54,383	4,464	4,464	4,464	4,464	4,464	4,464	4,464	22,320	7,113	88,280

Appn. #: 6590



2012-2013 CAPITAL BUDGET

2013-2017 CAPITAL IMPROVEMENT PROGRAM



WATER POLLUTION CONTROL

SUMMARY OF RESERVES

EXPLANATION OF FUNDS

FLOW AND PRIORITY OF FUNDS

The Summary of Reserves includes all reserves budgeted within the Five-Year Capital Improvement Program. On the Use of Funds statement, the projects in these summaries are not numbered.

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Summary of Reserves

Project Name:	Reserve for Advanced Process Control and Automation	Initial Start Date:	N/A
5-Year CIP Budget:	\$3,000,000	Revised Start Date:	
Total Budget:	\$3,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides funding for Plant-wide metering and controls upgrades. The project scope and cost are currently at 30% development and funds in addition to those currently programmed will be needed to complete the project. This reserve is funded entirely by the City of San José.

Project Name:	Reserve for Biosolids Transition	Initial Start Date:	N/A
5-Year CIP Budget:	\$5,000,000	Revised Start Date:	
Total Budget:	\$5,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides partial funding for the Package 2 projects. This reserve is funded entirely by the City of San José.

Project Name:	Reserve for Digester Rehabilitation	Initial Start Date:	N/A
5-Year CIP Budget:	\$5,000,000	Revised Start Date:	
Total Budget:	\$5,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides funding for potential changes to the project scope and/or cost for the Digester Rehabilitation project. The condition of the Dissolved Air Flotation tanks is currently unknown and significant refurbishment may be needed pending completion of a detailed condition assessment. This reserve is funded entirely by the City of San José.

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Summary of Reserves

Project Name:	Reserve for East Primary Rehabilitation, Seismic Retrofit, and Odor Control	Initial Start Date:	N/A
5-Year CIP Budget:	\$1,000,000	Revised Start Date:	
Total Budget:	\$1,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides funding for potential changes to the project scope and/or cost for the East Primary Rehabilitation, Seismic Retrofit, and Odor Control project. The condition of the primary tanks are currently unknown and significant rehabilitation may be needed pending completion of a detailed condition assessment. This reserve is funded entirely by the City of San José.

Project Name:	Reserve for Electrical Systems & Power Generation	Initial Start Date:	N/A
5-Year CIP Budget:	\$10,000,000	Revised Start Date:	
Total Budget:	\$10,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides funding for technical development and roll-out of the Package 2 project as it relates to the installation of a new gas turbine system and related appurtenances and supporting electrical infrastructure. The Plant currently uses a combination of digester gas, purchased landfill gas, and natural gas to generate power onsite using engine-generators. While the existing systems currently meet Bay Area Air Quality Management District emission regulations, it is anticipated that these regulations will be tightened in the near future to align more closely with those already being enforced in the South Coast Air Quality Management District. This reserve is funded entirely by the City of San José.

Project Name:	Reserve for Equipment Replacement	Initial Start Date:	N/A
5-Year CIP Budget:	\$5,000,000	Revised Start Date:	
Total Budget:	\$5,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides for unforeseen replacement and rehabilitation of equipment which, due to age, wear, or obsolescence, must be replaced for the efficient operation of the WPCP.

Water Pollution Control
2013-2017 Proposed Capital Improvement Program
Summary of Reserves

Project Name:	Reserve for Headworks	Initial Start Date:	N/A
5-Year CIP Budget:	\$6,000,000	Revised Start Date:	
Total Budget:	\$6,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides funding for potential changes to the project scope and/or cost for the Headworks No. 1 Repair and Rehabilitation and Headworks No. 2 Enhancement projects. These projects are currently at 90% development and costs in addition to those currently programmed are expected. Additional enhancement work previously not included with the project is also being considered. This reserve is funded entirely by the City of San José.

Project Name:	Reserve for New Filter Complex	Initial Start Date:	N/A
5-Year CIP Budget:	\$6,000,000	Revised Start Date:	
Total Budget:	\$6,000,000	Initial End Date:	N/A
Council District:	4	Revised End Date:	
USGBC LEED:	N/A		

Description: This reserve provides funding for technical development and roll-out of the Package 2 project for a new filter complex. The CIP provides preliminary funding for the evaluation of new filter technology. Depending on the outcome of the preliminary testing the development of filter technologies over the next few years, additional funding may be needed for expanded field verification filter technologies. Once a new filter technology is selected, this reserve will provide funding for additional program and consultant staff required for technical development of a design-build package. The filter complex construction itself is expected to cost between \$65 million and \$100 million, with ultimate cost dependent on the technology and level of treatment selected, which will be driven by 2040 flow and reuse water projections and future discharge regulations. The construction of a new filter facility would be part of the Package 2 projects as described in the Overview in this CIP. This reserve is funded entirely by the City of San José.

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Water Pollution Control

2013-2017 Proposed Capital Improvement Program

Explanation of Funds

Revenues and expenditures for the operation and maintenance of the San José-Santa Clara Water Pollution Control Plant are accounted for by the City of San José, as administering agency, through the San José-Santa Clara Water Pollution Control Plant Operating Fund (Operating Fund) and the San José-Santa Clara Treatment Plant Capital Fund (Capital Fund), established by Ordinance 7214 in July 1959.

Revenues from Tributary Agencies of the San José-Santa Clara Water Pollution Control Plant are recorded directly into the Treatment Plant Operating and Capital Funds, respectively. The Tributary Agencies include the City of Milpitas, City of Cupertino, Burbank and Sunol Sanitary Districts, County Sanitation District No. 2-3, and West Valley Sanitation District.

Tributary Agencies are assessed for their share of annual operation, maintenance, equipment, and facilities replacement and capital costs, based on their respective flow and strength of sewage conveyed to the Plant.

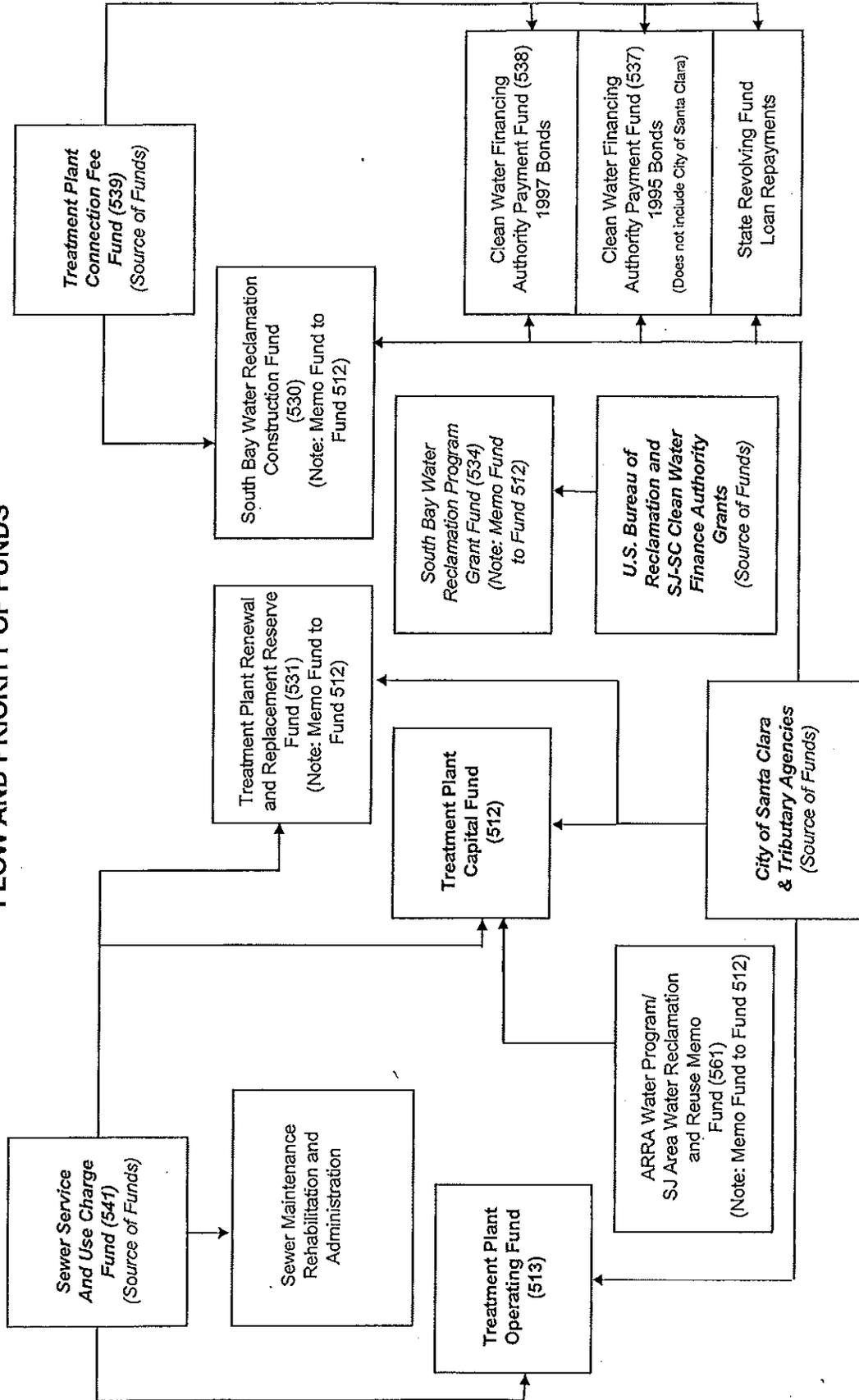
The San José Sewer Service and Use Charge Fund was established by the San José City Council by Ordinance Number 7308, adopted in August 1959. This fund is the depository of revenues from Sewer Service and Use

Charges received from residential, commercial, and industrial users of the sanitary sewer system. A portion of these moneys are transferred to the Treatment Plant Operating and Capital Funds to pay for the City of San José's share of operating and capital costs of the Water Pollution Control Plant.

The Santa Clara Sewer Revenue Fund was established by Resolution Number 916 of the City Council of Santa Clara in October 1960. Like the City of San José, revenues from this fund are transferred directly to the Treatment Plant Operating and Capital Funds.

The Treatment Plant Capital Fund provides all moneys used for capital projects. Included in this fund is the Treatment Plant Renewal and Replacement Fund. This fund was established to satisfy the Water Pollution Control Plant's federal and State grant agreements as well as to comply with bond covenants. Also included in the Treatment Plant Capital Fund is the American Recovery and Reinvestment Act (ARRA) Water Program/SJ Area Water Reclamation and Reuse Memo Fund, which accounts for American Recovery and Reinvestment Act of 2009 moneys for activities related to South Bay Water Recycling projects.

WATER POLLUTION CONTROL PLANT FLOW AND PRIORITY OF FUNDS



The arrows indicate the flow of funds from each of the various sources to the fund in which the revenues are expended.

Memorandum

TO: TREATMENT PLANT ADVISORY COMMITTEE **FROM: Kerrie Romanow**

**SUBJECT: 2012-2013 PROPOSED-
OPERATING BUDGET**

DATE: May 10, 2012

This memorandum serves to transmit the San Jose / Santa Clara Water Pollution Control Plant 2012-2013 Proposed Operating and Maintenance Budget. The anticipated operating and maintenance budget and agency contributions were discussed with staff representatives from the tributary agencies on March 5. The Proposed Operating and Maintenance Budget is provided for the Treatment Plant Advisory Committee's review and for a recommendation to the San Jose City Council for approval.

If you should have any further questions, please contact Jon Newby at 408-635-2000.



KERRIE ROMANOW
Acting Director, Environmental Services

PROPOSED

SAN JOSE / SANTA CLARA WATER POLLUTION CONTROL PLANT

700 Los Esteros Road
San Jose, California 95134

2012 – 2013

Operating & Maintenance Budget

Submitted by
Kerrie Romanow, Acting Director
Environmental Services Department
City of San Jose

TO
Treatment Plant Advisory Committee

Chuck Reed	(Chairperson)	Mayor, City of San Jose
Kansen Chu		Councilmember, City of San Jose
John Gatto		Boardmember, Cupertino Sanitary District
Pete McHugh		Vice Mayor, City of Milpitas
Jamie Matthews		Mayor, City of Santa Clara
Kevin Moore		Councilmember, City of Santa Clara
Madison, Nguyen		Councilmember, City of San Jose
Ed Shikada		Assistant City Manager, City of San Jose
Kenneth Yeager		Boardmember, West Valley Sanitation District

**SAN JOSE / SANTA CLARA
WATER POLLUTION CONTROL PLANT**

700 Los Esteros Road
San Jose, California 95134

2012-2013

P R O P O S E D

Operating & Maintenance Budget

Environmental Services Department
City of San Jose

**San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department**

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San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

BUDGET SUMMARY

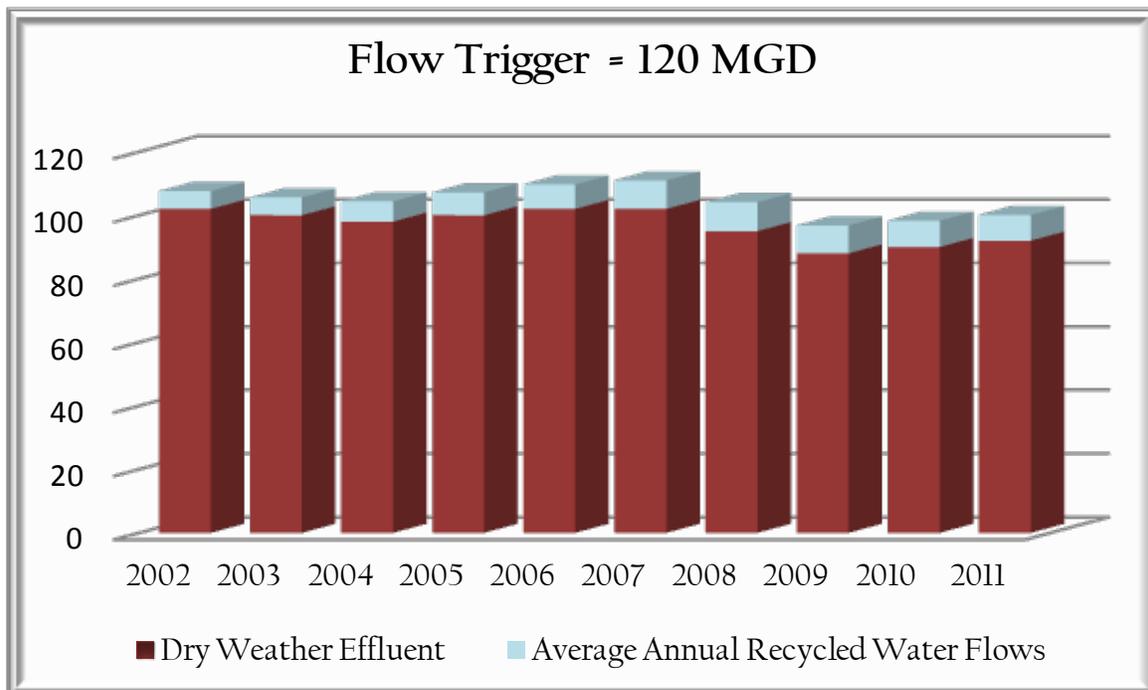
	Adopted 11-12	Proposed 12-13	Change
Treatment Plant Operating Fund Budget	78,220,534	82,316,238	5.2%
ESD Authorized Positions	353.53	347.82	(1.6%)

BUDGET HIGHLIGHTS 2012-2013

- Additional resources are recommended to address major repair projects for 2012-2013 as well as ongoing funding for third-party building maintenance.
- Two Maintenance Superintendents are recommended to enhance management oversight.
- The progression of the Plant Master Plan, from the initial phases to the design and construction phases, creates the need to recommend the elimination of various support positions and the addition of engineering positions, coupled with funds for consulting support.



**10 year History of Average Dry Weather Flow
(in millions of gallons per day)**



San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

**TREATMENT PLANT OPERATING FUND
 BUDGET SUMMARY**

Budget Summary	2010-11 Actual Expenses	2011-12 Adopted Budget	2012-13 Forecast Budget	2012-13 Proposed Budget
Personal Services	36,348,830	43,317,983	43,351,526	42,694,246
Non-personal Expenses	21,775,990	24,723,278	25,651,540	28,854,290
Equipment	2,206,175	825,000	900,000	900,000
Inventory	376,432	400,000	400,000	400,000
Department Expenses	60,707,427	69,266,261	70,303,066	72,848,536
Overhead	7,228,538	6,429,975	6,429,975	6,600,463
City Hall Debt Service	886,403	850,879	850,879	948,041
Workers' Compensation	508,202	700,000	700,000	700,000
City Services	748,714	973,419	994,041	1,219,198
City Expenses	9,371,857	8,954,273	8,974,895	9,467,702
TOTAL EXPENSES	\$70,079,284	\$78,220,534	\$79,277,961	\$82,316,238

ESTIMATED COST DISTRIBUTION

2012-13 Estimated Total Gallons Treated (MG)	(1) Percent of Total Sewage Treated	City / District	2012-13 Projected
24,974.566	65.186	City of San Jose	\$53,658,663
5,098.611	13.494	City of Santa Clara	11,107,753
30,073.177	78.680	Sub-Total	\$64,766,416
3,321.819	8.747	West Valley Sanitation Distric	7,200,201
1,940.592	5.269	Cupertino Sanitary District	4,337,243
2,281.964	5.994	City of Milpitas	4,934,035
381.112	1.027	Sanitation District # 2 - 3	845,388
105.419	0.283	Burbank Sanitary District	232,955
8,030.906	21.320	Sub-Total	\$17,549,822
38,104.083	100.0	TOTAL	\$82,316,238

(1) Composite of four parameters (flow, BOD, SS, ammonia). Source 2012-13 Revenue Program.

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

OVERVIEW

This year's Treatment Plant Operating Budget recommends a 5.2% increase over the 2011-12 Adopted Budget. This increase is largely due the need to address more complex repair projects; and also additional funding for support of the Plant Master Plan as it progresses towards the design and construction phases. The funds recommended for these activities are comprised mostly of contractual services as contractors and consultants are expected to complete the associated objectives.

Additional cost increases include energy, as additional natural gas will be required during Fiscal Year 2012-2013 with the completion of the 1.5 MW Fuel Cell project. This new source of electrical generation is fueled by digester gas to produce up to 1.5MW of electricity. The additional natural gas is required to substitute energy in other electrical generation sources within the Plant as the digester gas is committed to the fuel cell.

The current year completion of the Alternative Disinfection Capital Project will eliminate the chemical savings experienced during the previous and current fiscal years. The disinfection process conversion has relieved the Plant's dependence of both gaseous chlorine and sulfur dioxide to a less toxic liquid-based system using sodium hypochlorite and sodium bisulfate. As a result of these changes, the chemical expenditures are expected to be fully realized for FY 2012-2013.

Due to continued unprecedented levels of retirements and attrition at the Water Pollution Control Plant, the limited number of experienced staff will concentrate on day-to-day management and operations while technical, safety, and technological training will be provided through a contractual training program with oversight by experienced staff trainers. This action is described in more detail in the proposals section, and is intended to ensure momentum of the Training Program by allowing for a more targeted and beneficial program that better prepares staff to address more complex activities. In relation to this trend, two Maintenance Superintendents are being added to ensure additional field time for supervisors and provide additional management.

Pensions costs are another significant source increase in the Proposed Budget, although not unexpected and not to the extent of the increases realized in the current years' budget.

The following sections provide the both proposals, which describe in more detail the additional costs, and a breakdown by program of all associated expenditures.

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

OVERVIEW CONTINUED

DEPARTMENT BUDGET SUMMARY

Budget Summary	2010-11 Actual	2011-12 Adopted	2012-13 Forecast	2012-13 Proposed	% Change
Dollars by Program					
Treatment Plant O&M	40,785,986	42,765,846	44,698,080	47,067,776	10.1%
Watershed Protection	8,609,017	10,627,091	9,972,214	9,800,726	(7.8%)
South Bay Water Recycling	3,631,238	4,813,847	4,752,575	4,493,048	(6.7%)
Engineering Services	2,848,844	3,147,233	3,464,702	4,478,306	42.3%
Mgmt & Admin Svcs	1,783,264	3,166,686	2,894,469	2,803,153	(11.5%)
Envmtl Compliance & Safety	397,726	1,736,542	1,919,876	1,919,876	10.6%
Office of Sustainability	834,616	944,727	645,872	596,853	(36.8%)
Communications	1,048,577	1,211,421	1,078,473	811,993	(33.0%)
Mgmt Information Services	768,159	852,868	876,805	876,805	2.8%
Total	\$ 60,707,427	\$ 69,266,261	\$ 70,303,066	\$ 72,848,536	5.2%
Dollars by Category					
Personal Services					
Salaries	25,280,118	26,193,105	25,435,465	25,038,095	(4.4%)
Pension	5,401,504	11,429,889	12,750,527	12,550,966	9.8%
Medical	4,054,254	5,043,323	4,505,268	4,444,919	(11.9%)
Overtime	1,612,954	651,666	660,266	660,266	1.3%
Subtotal	\$ 36,348,830	\$ 43,317,983	\$ 43,351,526	\$ 42,694,246	(1.4%)
Non-Personal/Equipment					
Energy	4,707,185	4,600,000	5,500,000	5,500,000	19.6%
Supplies & Materials	4,164,103	4,350,821	4,296,328	4,356,578	0.1%
Chemicals	1,669,297	2,655,000	2,655,000	2,655,000	0.0%
Contractual Services	7,568,994	8,314,691	8,341,866	11,281,866	35.7%
All Others	6,249,018	6,027,766	6,158,346	6,360,846	5.5%
Subtotal	24,358,597	25,948,278	26,951,540	30,154,290	16.2%
Total	\$ 60,707,427	\$ 69,266,261	\$ 70,303,066	\$ 72,848,536	5.20%
Authorized Positions	352.75	351.2	353.53	347.82	(1.62%)

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Budget Proposals

Proposed Program Changes	Positions	Treatment Plant Appropriations
1. Environmental Services Department Communications Division Staffing	(2.00)	(266,480)

This action eliminates three positions in the Environmental Services Department Communications Division: 1.0 Supervising Environmental Services Specialist, 1.0 Environmental Services Specialist, and 1.0 Marketing and Public Outreach Manager. The positions were responsible for projects that have concluded or been significantly scaled back. These projects include the Plant Tour program, which was a major component of the Plant Master Plan outreach process, and South Bay Water Recycling communications, which have been deferred until the completion of that program's master plan. The Communications Division is currently reorganizing and developing a new service delivery model that better integrates outreach and education activities and messages from all of the Department's utility services and programs. The Division's Program Manager and remaining Marketing and Public Outreach Manager will provide project and workload oversight. (Ongoing savings: \$266,480)

2. Water Resources Staffing	(2.05)	(259,526)
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This action eliminates 3.0 positions (1.0 Senior Office Specialist and 2.0 Environmental Services Specialists) in the Water Resources Division. The Senior Office Specialist provided clerical support to South Bay Recycling staff and customer service support to Municipal Water and South Bay Water Recycling (SBWR) customers. When the SBWR staff relocated to City Hall from Municipal Water in 2011-2012, the position's clerical support functions were absorbed by City Hall ESD clerical staff. The two remaining Senior Office Specialist positions assigned to Municipal Water will absorb the customer service and clerical support functions provided by this position. The 2.0 Environmental Services Specialist positions provide outreach services to schools, businesses, and industrial user groups regarding water conservation, and administer an SBWR industrial cooling tower incentive program, aimed at increasing the SBWR customer base. Non-regulatory conservation activities are being scaled back to 2009 levels, and the outreach will be absorbed by the Environmental Communications Divisions, which will incorporate messaging about water conservation efforts as part of other ESD communications. The SBWR industrial cooling tower incentive program is being suspended pending the completion of the strategic planning process that began in 2012 and is expected to be completed by end of June 2013, and will define the future mission and objectives of the recycled water system. (Ongoing savings: \$259,526)

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Budget Proposals (cont'd)

Proposed Program Changes	Positions	Treatment Plant Appropriations
<p>3. Environmental Services Department Information Technology Reorganization (1.00)</p> <p>This action eliminates 1.0 Program Manager position, which had managed the Environmental Services Department's internal Information Technology (IT) group. The group, which consists of 15 positions, is divided, with five positions supporting Treatment Plant operations, and the remaining positions supporting the rest of the Department. The group dedicated to the Plant will now report directly to a Deputy Director, while the group supporting ESD's remaining operations will report to the Administrative Officer and receive strategic direction from the IT Department through a matrix model. (Ongoing savings: \$177,409)</p>	(1.00)	(177,409)
<p>4. Office of Sustainability Staffing</p> <p>This action eliminates 1.0 Environmental Services Specialist in the Office of Sustainability. This position assisted on projects such as the Water Pollution Control Plant Master Plan, the Plant History Project, and tracking of State and federal legislation for impacts to the City's environmental goals. The Master Plan is undergoing environmental review and coordination is handled by other ESD staff. The Plant History Project has now concluded. Tracking of State and federal legislation important to the City's environmental services has been assigned to a Supervising Environmental Services Specialist. (Ongoing savings: \$49,018)</p>	(.41)	(49,018)
<p>5. Accounting Staff Funding Reallocation</p> <p>This action realigns the funding for 1.0 Senior Accountant to reflect new organizational priorities in the Environmental Services Department. Funding that was provided for this position in the San José/Santa Clara Treatment Plant Operating Fund will be reallocated, and the position will now be funded primarily by the Integrated Waste Management Fund, as well as other ESD utility funds. The upcoming Integrated Billing System transition and increased accounting requirements related to the recent New Markets Tax Credit transaction have led to an increased need for this position's services in the Integrated Waste Management Division, as well as other divisions that rely on the IBS system. Accounting duties formerly performed by this position for the Water Pollution Control Plant will be absorbed by the remaining accounting, fiscal, and administrative staff of the Water Pollution Control Plant. (Ongoing savings: \$91,315)</p>	(.65)	(91,315)

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Budget Proposals (cont'd)

Proposed Program Changes	Positions	Treatment Plant Appropriations
<p>6. Treatment Plant Repairs and Maintenance</p> <p>This action provides one-time funding of \$1.5 million for the replacement of aging Dissolved Air Flotation Tank (DAFT) and Primary Sedimentation Tanks components, as well as \$500,000 per year for four years for the coating and painting of a digester and three buildings at the Water Pollution Control Plant. Funding will cover the cost of replacement components for 8 of the Plant's 16 DAFT and 5 of the Plant's 18 East Primary Tanks, keeping these areas functional until they are replaced as part of the capital program. The funding will also decrease the backlog of 28 buildings and nine digesters currently in need of painting, and provide for expert support in the specialized digester coating process. Painting and coating of structures protects them from corrosion and helps prevent more serious maintenance issues. (Ongoing costs: \$500,000)</p>		2,000,000
<p>7. Treatment Plant Engineering Support</p> <p>This action provides Non-Personal/Equipment funding for contractual engineering services at the Water Pollution Control Plant. Increased construction activity, and the implementation of new technologies have led to an increase in unusual wastewater treatment process issues that require assessment by subject matter experts. In addition to this, decreased staff experience levels have led to limitations in troubleshooting and addressing more complex mechanical issues, increasing the need for outside support. (Ongoing costs: \$700,000)</p>		700,000
<p>8. Treatment Plant Training Program</p> <p>This action provides ongoing funding for a technical training program at the Water Pollution Control Plant. The Plant has experienced unprecedented levels of retirements and attrition in recent years. To allow for the limited number of experienced staff to concentrate on day-to-day management and operations, contractual support is needed for technical and safety training in each of the Plant's trades groups. New staff will be trained in Plant-specific technologies and current staff will receive supplementary and refresher training as the demands of the Plant change. Also, as newer technology is implemented, all staff will require additional IT training. It is estimated that staff hired within the last three years will receive up to 40 hours of training a year under this model. (Ongoing costs: \$750,000)</p>		500,000

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Budget Proposals (cont'd)

Proposed Program Changes	Positions	Treatment Plant Appropriations
9. Water Pollution Control Plant Capital Staffing	2.00	313,600
<p>This action adds 1.0 Senior Engineer and 1.0 Principal Engineer/Architect to assist with piloting, pre-design, and alternative technology evaluation that will lead to Treatment Plant capital projects. The Senior Engineer position will oversee pre-design studies and pilot projects leading to critical Treatment Plant rehabilitation projects, evaluate conceptual design alternatives, evaluate capital alternatives for ongoing operational problems, and oversee the work of consultants. The Principal Engineer/Architect will lead a group of process engineers responsible for piloting and automation, Plant operations support, and CIP design support. (Ongoing costs: \$326,128)</p>		
10. Treatment Plant Maintenance Staffing	0.00	47,107
<p>This action adds 2.0 Maintenance Superintendent positions and eliminates 2.0 Plant Mechanic positions. The Maintenance Superintendent positions will manage the Plant Maintenance budget, make staffing recommendations, and analyze data to drive resource allocation and programmatic decisions. This will allow the two existing Plant Mechanical Supervisors, who supervise a total of 38 positions, to focus on direct supervision, training, and safety. The two Plant Mechanic positions proposed to be deleted have been vacant for an extended period, and tasks assigned to them have been absorbed by remaining staff. (Ongoing costs: \$71,398)</p>		
11. Solid Waste Contract Compliance Staffing	(1.6)	(171,489)
<p>Realigns the funding for 1.0 Environmental Inspector and 1.0 Assistant Environmental Inspector from the Watershed Protection Division to the Integrated Waste Management Division to support the commercial solid waste and recyclable material collection franchise agreement between the City of San José and Allied Waste Services of Santa Clara County. The Inspectors will ensure that Allied Waste (now known by their parent company's name, Republic Services) complies with contractual performance standards, and enforce the Municipal Code requirement that no providers are to conduct commercial solid waste and recyclable material collection in San José without a franchise from the City. As a result of this reassignment, dental facility inspections under the Dental Amalgam Wastewater Discharge Enforcement Plan, as well as Fats, Oils, and Grease (FOG) inspections at food service establishments, will be performed less frequently. The lower frequency of these inspections will not impact the City's ability to meet any permit requirements. (Ongoing costs: \$7,444)</p>		
2012-2013 Total Department Proposals	(5.71)	2,545,470

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Budget Proposals-City Services

Proposed Program Changes	Positions	Treatment Plant Appropriations
I. Vendor-Direct Purchasing Model Implementation	.046	4,988
<p>This action fully transitions departments to a vendor-direct purchasing model and eliminates the City's Central Warehouse, although staff will continue to operate the warehouse-receiving function for large deliveries that require the Central Service Yard loading dock. As a result, this action eliminates 1.0 Senior Warehouse Worker position, 1.0 Warehouse Worker II position, 0.5 Senior Account Clerk position and related overtime and non-personal/equipment funding. Activity levels in the City's Central Warehouse have declined significantly over the past several years with the City's transition to a vendor-direct purchasing model. With full implementation, departments will be required to order items utilizing the vendor-direct programs that have already been established, purchase all supplies at retail stores using a City P-Card or submit a purchase requisition to the Purchasing Division to place orders on purchase orders. Postage and fire hydrants will remain centralized. A corresponding City-Wide Expenses allocation and revenue estimate for the purchase and sale of fire hydrants is included elsewhere in this document. This transition will result in the closure of the Stores Fund with the remaining ending fund balance, estimated to be \$200,000, transferred from the Stores Fund to the General Fund in 2012-2013. (Ongoing costs: \$4,988)</p>		
2. ESD Procurement Support	1.5	156,283
<p>One-time funding in the San Jose/Santa Clara Treatment Plant Operating Fund was approved in the 2010-2011 and 2011-2012 Adopted Operating Budgets for a temporary Senior Analyst to facilitate the procurement of materials and services for Water Pollution Control Plant (WPCP) operations and maintenance. This action provides ongoing funding for 1.0 Senior Analyst position and 1.0 Buyer II position to support critical procurement and contracting activity for both the WPCP operations and Watershed Protection Program. The demand for procurement services continues to increase due to aging WPCP infrastructure, Plant Master Plan requirements, and ongoing watershed protection needs. (Ongoing costs: \$156,283)</p>		
3. IT Department Staffing	.39	63,886
<p>This action eliminates 1.0 Assistant Director position, adds 1.0 Division Manager position in the Technical Infrastructure Group, and adds 1.0 Division Manager position in the Enterprise Applications Group. Currently, the Acting Chief Information Officer (CIO) is responsible for overseeing daily operations in the Technical Infrastructure and Enterprise Applications Groups, with 44 technical positions and 10 direct reports in addition to management of the remainder of the department. The Division Manager positions will be responsible for the daily operations and project action of the City's technical infrastructure and enterprise applications. The positions will also provide strategic direction and technical management in a matrix model as well as identify consolidation opportunities within the Environmental Services Department. (Ongoing costs: \$179,125)</p>		
2012-2013 Total City Service Proposals	1.93	225,157

San Jose/Santa Clara Water Pollution Control Plant

Environmental Services Department

PROGRAM: WPCP OPERATIONS & MAINTENANCE
 RESPONSIBLE MANAGER: JOANNA DE SA

PROGRAM PURPOSE AND DESCRIPTION

Water Pollution Control provides for the constant operations and maintenance of the regional San Jose/Santa Clara Water Pollution Control Plant. The program is staffed with personnel from operations, maintenance, and engineering disciplines to assure 100% availability of critical equipment and to provide process adjustments on a continuing basis for maximum process efficiency and reliability.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Air Conditioning Mech	3.00	3.00	3.00	3.00
Analyst II C	2.00	1.00	1.00	1.00
Assist Hvy Dsl Eq Op Mech	3.00	3.00	3.00	3.00
Assoc Engineer	1.00			
Assoc Engineering Tech	2.00	2.00	2.00	2.00
Deputy Dir U	1.00	1.00	1.00	1.00
Division Manager	3.00	3.00	3.00	3.00
Electrician	8.00	8.00	8.00	8.00
Electrician Supervisor	1.00	1.00	1.00	1.00
Engineerg Technician II	3.00	3.00	2.85	2.85
Geographic Sysms Spec II	1.00	1.00	1.00	1.00
Groundswoker	1.00	1.00	0.50	0.50
Heavy Diesel Equip Op/Mec	13.00	13.00	13.00	13.00
Heavy Diesel Equip Supvr	1.00	1.00	1.00	1.00
Heavy Equip Oper	5.00	5.00	5.00	5.00
Info Sysys Analyst	1.00	1.00	1.00	1.00
Instrument Control Supvr	1.00	1.00	1.00	1.00
Instrument Control Technician	8.00	8.00	8.00	8.00
Maintenance Assistant	1.00	1.00	1.00	1.00
Maintenance Superintend				2.00
Maintenance Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker I	3.00	3.00	3.00	3.00
Office Specialist II	1.00	1.00	1.00	1.00
Painter Supvr WPCP	1.00	1.00	1.00	1.00
Painter WPCP	6.00	6.00	6.00	6.00
Plant Asst Gen Ops Supvr	1.00	1.00	1.00	1.00
Plant Attendant	2.00	2.00	2.00	2.00

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Plant Mechanic	28.00	28.00	27.10	25.10
Plant Mechanical Supvr	2.00	2.00	1.85	1.85
Plant Operator	38.00	38.00	38.00	38.00
Plant Shift Supervisor	5.00	5.50	6.00	6.00
Prin Office Specialist	1.00	1.00	1.00	1.00
Process & Systems Spec II	1.00	1.00	1.00	1.00
Program Manager II	1.00	1.00	1.00	
Secretary	1.00	1.00	1.00	1.00
Senr Air Cond Mechanic	1.00	1.00	1.00	1.00
Senr Analyst	1.00	2.00	2.00	2.00
Senr Custodian	1.00	1.00	1.00	1.00
Senr Electrician	2.00	2.00	2.00	2.00
Senr Engineer	2.00	2.00	2.00	2.00
Senr Engineering Tech	3.00	2.00	2.00	2.00
Senr Geographic Syst Spec	1.00	1.00	1.00	1.00
Senr Hvy Dsl Eq Oper Mech	3.00	3.00	3.00	3.00
Senr Hvy Equipment Oper	2.00	2.00	2.00	2.00
Senr Instrument Control Tech	2.00	2.00	2.00	2.00
Senr Maintenance Worker	1.00	1.00	0.95	0.95
Senr Painter	1.00	1.00	1.00	1.00
Senr Plant Mechanic	6.00	6.00	5.80	5.80
Senr Plant Operator	13.00	13.00	13.00	13.00
Senr Process & Syst Spec	2.00	2.00	2.00	2.00
Supply Clerk	1.00	1.00	1.00	1.00
Systems Control Supv	1.00	1.00	1.00	1.00
Warehouse Supervisor	0.82	0.88	0.88	0.88
Warehouse Worker I	1.64	1.76	1.76	1.76
Warehouse Worker II	1.64	1.76	1.76	1.76
Total Full-Time Positions	198.10	196.90	195.45	194.45

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-2011 Actuals	2011-2012 Adopted	2012-2013 Base	2012-2013 Proposed
SALARIES-REG-FULL TIME	14,160,607	14,288,126	13,556,139	13,477,361
COMPENSATED ABSENCE	1,123			
SALARIES-REG-PART TIME	170,393			
SALARIES - OVER TIME	1,534,518	599,573	608,173	608,173
	3,415			
BENEFITS: RETIREMENT CONTRIB	2,691,783	6,172,352	6,767,890	6,728,328
OTHER FRINGE BENEFITS	2,431,834	2,840,302	2,569,015	2,557,051
Sub Total	20,993,673	\$ 23,900,353	\$ 23,501,217	\$ 23,370,913
UTILITIES: GAS	1,591,507	1,200,000	2,000,000	2,000,000
UTILITIES: ELECTRICITY	2,669,970	2,700,000	2,800,000	2,800,000
SUPPLIES AND MATERIALS	3,440,812	3,549,682	3,618,884	3,678,884
STORES FUND - STORES	98,483	89,145	89,055	89,055
COMM EXPNSE: TELEPHONE	88,791	62,805	62,805	62,805
COMM EXPNSE: POSTAGE	2,885	6,000	6,000	6,000
PRINT/ADV-OUTSIDE VENDORS	11,612	4,750	4,750	4,750
DUPLICATING-STORES FUND		1,000	1,000	1,000
UTILITIES: OTHER	150,738	139,000	139,000	139,000
CHEMICALS	1,669,297	2,655,000	2,655,000	2,655,000
RENT: EQUIPMENT & VEHICLES	485,066	421,424	421,424	421,424
TRANS/TRAVEL: IN COUNTY	1,935	14,144	14,144	14,144
TRANS/TRAVEL: OUT OF COUNTY	4,535	28,395	28,395	28,395
TRANS/TRAVEL: OUT OF STATE	4,150	51,069	51,069	51,069
TRAINING	138,657	110,882	110,882	310,882
MILEAGE REIMBURSEMENT	4,999	150	150	150
VEHICLE OPERATING COSTS	731,085	780,016	757,016	757,016
DUES & SUBSCRIPTIONS	800,110	883,300	1,073,300	1,073,300
COMPUTER DATA PROCESSING	347,600	233,422	423,422	423,422
PROF & CONSULTANT SVCS	4,969,297	4,220,717	5,225,975	7,465,975
PWCAPITAL SUPPORT CHARGE	256			
INSURANCE	119,595	564,592	564,592	564,592
TAXES	1,039			
CAPITAL OUTLAY	31,354			
MACHNRY/EQUIPMT: MACHINERY	2,052,108	750,000	750,000	750,000
Sub Total	\$ 19,415,881	\$ 18,465,493	\$ 20,796,863	\$ 23,296,863
Combined Totals	\$ 40,409,554	\$ 42,365,846	\$ 44,298,080	\$ 46,667,776

San Jose/Santa Clara Water Pollution Control Plant

Environmental Services Department

PROGRAM:

WATERSHED PROTECTION

RESPONSIBLE MANAGER:

NAPP FUKUDA

PROGRAM PURPOSE AND DESCRIPTION

Provide environmental enforcement functions to support Department programs, enforce Federal, State and local regulations pertaining to industrial waste. The Source Control/Pretreatment Program provides inspection and monitoring of industrial waste dischargers, maintains a source reduction program, and ensures that industrial dischargers to the SJ/SC Water Pollution Control Plant are in compliance with all applicable industrial waste ordinances within San Jose and the tributary agencies. This program also provides laboratory, engineering and other specialized services in support of the treatment facility.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Analyst II C	1.50	0.75	0.75	0.75
Aquatic Toxicologist	1.00	1.00	1.00	1.00
Assoc Engineer	1.00	1.00	1.00	1.00
Assoc Environ Serv Spec		1.00		
Biologist		1.00	1.00	1.00
Chemist	8.00	8.00	8.00	8.00
Deputy Dir U	0.75	0.75	0.75	0.75
Division Manager	0.67	0.00		
Environment Insp, Assistant	4.00	4.00	4.20	3.60
Environment Inspector I	1.00	2.00	0.60	0.60
Environment Inspector II	19.00	18.00	18.80	17.80
Environment Inspector, Sr	2.00	2.00	2.00	2.00
Environment Serv Prog Mgr	1.00	1.80	2.80	2.80
Environment Serv Spec	2.00	1.00	2.00	2.00
Environmental Laboratory Mgr	1.00	1.00	1.00	1.00
Environmental Laboratory Supvr	2.00	2.00	2.00	2.00
Laboratory Tech I	14.00	3.00		
Laboratory Tech II		10.00	13.00	13.00
Microbiologist	2.00	2.00	2.00	2.00
Office Specialist II	2.55	2.55	2.28	2.28
Office Specialist II PT	0.25			
Prin Office Specialist	0.85	0.85	0.85	0.85
Sanitary Engineer	3.00	3.00	3.00	3.00
Senr Engineer	1.00	1.00		
Senr Office Specialist	1.70	1.70	1.52	1.52
Staff Specialist	0.85	0.85	0.76	0.76
Supervg Environ Serv Spec	1.00	1.00	1.00	1.00
Total Full-Time Positions	72.12	71.25	70.31	68.71

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11 Actuals	2011-12 Adopted	2012-13 Base	2012-13 Proposed
SALARIES-REG-FULL TIME	5,377,019	5,141,709	5,014,519	4,910,842
SALARIES-REG-PART TIME	13,687			
SALARIES - OVER TIME	22,902	27,733	27,733	27,733
OTHER SALARY	1,100			
BENEFITS: RETIREMENT CONTRIB	1,190,492	2,280,794	2,520,845	2,468,779
OTHER FRINGE BENEFITS	757,991	1,024,394	828,916	813,171
Sub Total	7,363,191	\$ 8,474,630	\$ 8,392,013	\$ 8,220,525
SUPPLIES AND MATERIALS	441,349	550,048	485,548	485,548
STORES FUND - STORES	3,952	7,650	6,650	6,650
COMM EXPNSE: TELEPHNE	22,197	58,550	34,550	34,550
COMM EXPNSE: POSTAGE	4,959	15,500	11,500	11,500
PRINT/ADV-OUTSIDE VENDORS	3,116	34,500	33,250	33,250
RENT: LAND & BUILDINGS	1,250	117,960	1,250	1,250
RENT: EQUIPMENT & VEHICLES	13,229	53,800	25,000	25,000
TRANS/TRAVEL: IN COUNTY	7,003	12,575	12,575	12,575
TRANS/TRAVEL: OUT OF COUNTY	1,333	29,234	29,234	29,234
TRANS/TRAVEL: OUT OF STATE	161	35,200	35,200	35,200
TRAINING	20,237	43,680	43,680	43,680
MILEAGE REIMBURSEMENT	2,396	5,200	5,200	5,200
VEHICLE OPERATING COSTS	14,040	29,596	29,596	29,596
DUES & SUBSCRIPTIONS	26,818	53,537	21,537	21,537
COMPUTER DATA PROCESSING	51,854	66,250	66,250	66,250
PROF & CONSULTANT SVCS	477,865	964,181	589,181	589,181
MACHNRY/EQUIPMT: MACHINERY	154,067	75,000	150,000	150,000
Sub Total	\$ 1,245,826	\$ 2,152,461	\$ 1,580,201	\$ 1,580,201
Combined Totals	\$ 8,609,017	\$ 10,627,091	\$ 9,972,214	\$ 9,800,726

San Jose/Santa Clara Water Pollution Control Plant

Environmental Services Department

PROGRAM: SOUTH BAY WATER RECYCLING

RESPONSIBLE MANAGER: JON NEWBY

PROGRAM PURPOSE AND DESCRIPTION

This program is responsible for coordinating the operations, maintenance and management of the water recycling system in the three cities it serves, provides customer support and training and planning and implementing SBWR system improvements and facilitates compliance with regulations through participation in programs and adoption of practices which result in water conservation, and wastewater flow reductions.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Analyst II C	0.30	0.30	0.30	0.30
Assoc Construction Insp	0.70	0.70	0.70	0.70
Assoc Engineer	2.40	2.40	2.40	2.40
Assoc Engineering Tech	1.20	1.20	1.20	1.20
Cross Connection Spec	0.30	0.30	0.30	0.30
Deputy Dir U	0.50	0.50		
Division Manager	1.00	1.00	0.20	0.20
Electrician	0.05	0.05	0.05	0.05
Engineer II	0.45	0.45	0.45	0.45
Engineerg Technician II	0.25	0.25	0.40	0.40
Environment Serv Spec	3.76	3.76	4.50	2.75
Environmental Laboratory Mgr			1.00	1.00
Groundsworker			0.50	0.50
Maintenance Superintend	0.30	0.30	0.30	0.30
Maintenance Supervisor	0.20	0.20	0.20	0.20
Plant Mechanic			0.90	0.90
Plant Mechanical Supvr			0.15	0.15
Prin Construction Inspect	0.30	0.30	0.30	0.30
Senr Construction Insp	0.30	0.30	0.30	0.30
Senr Engineer	0.40	0.40	0.40	0.40
Senr Engineering Tech	1.20	1.20	1.20	1.20
Senr Maintenance Worker			0.05	0.05
Senr Office Specialist	0.30	0.30	0.30	
Senr Plant Mechanic			0.20	0.20
Senr Water Systems Tech	0.30	0.30	0.30	0.30
Supervg Environ Serv Spec	1.00	1.00	1.00	1.00
Water Meter Reader	0.15	0.15	0.15	0.15
Water Systems Technician	0.90	0.90	0.90	0.90
Total Full-Time Positions	16.26	16.26	18.65	16.60

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11 Actuals	2011-12 Adopted	2012-13 Base	2012-13 Proposed
SALARIES-REG-FULL TIME	1,239,824	1,377,401	1,436,667	1,279,765
COMP ABSENCES	8,392		-	
SALARIES-REG-PART TIME	10,685		-	
SALARIES - OVER TIME	5,639	12,217	12,217	12,217
OTHER SALARY			-	
BENEFITS: RETIREMENT CONTRIB	304,755	595,418	725,083	646,287
OTHER FRINGE BENEFITS	169,051	242,016	229,813	205,984
Sub Total	1,738,346	\$ 2,227,052	\$ 2,403,780	\$ 2,144,253
UTILITIES: ELECTRICITY	445,708	\$ 700,000	\$ 700,000	\$ 700,000
SUPPLIES AND MATERIALS	22,053	118,425	80,425	80,425
STORES FUND - STORES	0	1,950	1,950	1,950
COMM EXPNSE: TELEPHONE	2,048	12,500	12,500	12,500
COMM EXPNSE: POSTAGE	386	3,350	3,350	3,350
PRINT/ADV-OUTSIDE VENDORS	3,859	16,224	16,224	16,224
UTILITIES: OTHER	173	500	500	500
DUPLICATING-STORES FUND		1,900	1,900	1,900
RENT: EQUIPMENT & VEHICLES	1,426	3,000	3,000	3,000
TRANS/TRAVEL: IN COUNTY	1,706	3,950	3,950	3,950
TRANS/TRAVEL: OUT OF COUNTY	2,066	7,900	7,900	7,900
TRANS/TRAVEL: OUT OF STATE	0	7,900	7,900	7,900
TRAINING	3,452	10,800	10,800	10,800
MILEAGE REIMBURSEMENT	2,362	3,750	3,750	3,750
VEHICLE OPERATING COSTS	13,474	30,388	30,388	30,388
DUES & SUBSCRIPTIONS	37,754	37,998	37,998	37,998
COMPUTER DATA PROCESSING	7,913	17,100	17,100	17,100
PROF & CONSULTANT SVCS	1,346,363	1,609,160	1,409,160	1,409,160
PWCAPITAL SUPPORT CHARGE	2,149			
Sub Total	\$ 1,892,892	\$ 2,586,795	\$ 2,348,795	\$ 2,348,795
Combined Totals	\$ 3,631,238	\$ 4,813,847	\$ 4,752,575	\$ 4,493,048

San Jose/Santa Clara Water Pollution Control Plant

Environmental Services Department

PROGRAM: MGMT & ADMINISTRATIVE SERVICES
 RESPONSIBLE MANAGER: LINDA CHARFAUROS

PROGRAM PURPOSE AND DESCRIPTION

Provides support services including: financial and accounting services, human resources, revenue programs, contract administration, grant administration, capital improvement and operating budget preparation, analysis, bond programs coordination and control, land leasing, sewerage billings, customer relations, tributary agency relations, and Joint Powers administration.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Account Clerk II	0.67	0.65	0.65	0.65
Accountant II	0.67	0.65	0.65	0.65
Accounting Tech	1.34	1.3	1.3	1.3
Administrative Assist C	0.67	0.65	0.65	0.65
Administrative Officer	0.67	0.65	0.65	0.65
Analyst II C	2.68	3.25	2.6	2.6
Assist DirU	0.67	0.65	0.65	0.65
Dir Environmental Serv U	0.67	0.65	0.65	0.65
Office Specialist II	2.68	1.95	1.95	1.95
Prin Accountant	1.34	0.65	0.65	0.65
Prin Office Specialist	1.34	1.3	1.3	1.3
Senr Account Clerk	2.68	2.62	2.62	2.62
Senr Accountant	3.35	3.25	3.25	2.6
Senr Analyst	3.01	2.95	1.95	1.95
Staff Specialist	0.67	0.65	0.65	0.65
Staff Technician	0.67	1.3	1.3	1.3
Total Full-Time Positions	23.78	23.12	21.47	20.82

San Jose/Santa Clara Water Pollution Control Plant

Environmental Services Department

PROGRAM PURPOSE AND DESCRIPTION

Provides support services including: financial and accounting services, human resources, revenue programs, contract administration, grant administration, capital improvement and operating budget preparation, analysis, bond programs coordination and control, land leasing, sewerage billings, customer relations, tributary agency relations, and Joint Powers administration.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Account Clerk II	0.67	0.65	0.65	0.65
Accountant II	0.67	0.65	0.65	0.65
Accounting Tech	1.34	1.3	1.3	1.3
Administrative Assist C	0.67	0.65	0.65	0.65
Administrative Officer	0.67	0.65	0.65	0.65
Analyst II C	2.68	3.25	2.6	2.6
Assist DirU	0.67	0.65	0.65	0.65
Dir Environmental Serv U	0.67	0.65	0.65	0.65
Office Specialist II	2.68	1.95	1.95	1.95
Prin Accountant	1.34	0.65	0.65	0.65
Prin Office Specialist	1.34	1.3	1.3	1.3
Senr Account Clerk	2.68	2.62	2.62	2.62
Senr Accountant	3.35	3.25	3.25	2.6
Senr Analyst	3.01	2.95	1.95	1.95
Staff Specialist	0.67	0.65	0.65	0.65
Staff Technician	0.67	1.3	1.3	1.3
Total Full-Time Positions	23.78	23.12	21.47	20.82

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11	2011-12	2012-13	2012-13
	Actuals	Adopted	Base	Proposed
SALARIES-REG-FULL TIME	830,552	1,776,096	1,605,877	1,550,670
SALARIES-REG-PART TIME	19,935		-	
SALARIES - OVER TIME	4,039	12,143	12,143	12,143
OTHER PERSONNEL	6,302	-	-	
BENEFITS: RETIREMENT CONTRIB	484,284	788,948	806,469	778,744
OTHER FRINGE BENEFITS	260,286	299,667	243,884	235,500
Sub Total	\$ 1,605,398	\$ 2,876,854	\$ 2,668,373	\$ 2,577,057
SUPPLIES AND MATERIALS	33,683	27,300	27,300	27,300
STORES FUND - STORES	629	3,250	3,250	3,250
COMM EXPNSE: TELEPHONE-TELEGRPH	32,520	30,300	30,300	30,300
COMM EXPNSE: POSTAGE	8,770	14,950	14,950	14,950
PRINT/ADV-OUTSIDE VENDORS	780	3,900	3,900	3,900
DUPLICATING-STORES FUND		-	-	
RENT: EQUIPMENT & VEHICLES	14,840	19,500	19,500	19,500
TRANS/TRAVEL: IN COUNTY	842	1,300	1,300	1,300
TRANS/TRAVEL: OUT OF COUNTY	420	2,600	2,600	2,600
TRANS/TRAVEL: OUT OF STATE	2,300	1,950	1,950	1,950
TRAINING	17,813	17,875	17,875	17,875
MILEAGE REIMBURSEMENT	2,111	1,300	1,300	1,300
VEHICLE OPERATING COSTS	1,622			
DUES & SUBSCRIPTIONS	41,866	7,800	7,800	7,800
COMPUTER DATA PROCESSING	9,277	5,200	5,200	5,200
PROF & CONSULTANT SVCS	10,393	152,607	88,871	88,871
Sub Total	\$ 177,866	\$ 289,832	\$ 226,096	\$ 226,096
Combined Totals	\$ 1,783,264	\$ 3,166,686	\$ 2,894,469	\$ 2,803,153

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

PROGRAM: ENGINEERING SERVICES
RESPONSIBLE MANAGER: JON NEWBY

PROGRAM PURPOSE AND DESCRIPTION

This program provides planning, design and implementation of the Water Pollution Control Plant's Capital Improvement Program (CIP).

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Analyst II C			1.00	1.00
Assoc Engineer	5.50	3.80	6.30	6.30
Assoc Engineering Tech	0.30	0.30	0.30	0.30
Assoc Environ Serv Spec	1.00			
Biologist	2.75			
Deputy DirU			1.00	1.00
Division Manager	1.00	1.00	1.00	1.00
Engineer II	0.30			
Engineering Tech II	1.00			
Environmental Svcs Spec	0.00	1.00		
Environmental Laboratory Mgr	0.75			
Office Specialist II	1.00	2.00	2.00	2.00
Principal Engineer				1.00
Sanitary Engineer	3.30	3.30	3.90	3.90
Senr Construction Insp	0.30	0.30	0.40	0.40
Senr Engineer	2.60	2.60	1.90	2.90
Senr Engineering Tech	0.60	1.30	1.50	1.50
Staff Specialist	1.00	1.00	1.00	1.00
Supervg Environ Serv Spec	2.00	1.00		
Total Full-Time Positions	23.40	17.60	20.30	22.30

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11 Actuals	2011-12 Adopted	2012-13 Base	2012-13 Proposed
SALARIES-REG-FULL TIME	1,544,763	1,428,568	1,608,162	1,796,097
COMPENSATED ABSENCE	66,947			
SALARIES-REG-PART TIME	25,783			
OTHER SALARY	693			
SALARIES - OVER TIME	2,358			
BENEFITS: RETIREMENT CONTRIB	307,721	636,532	812,651	907,029
OTHER FRINGE BENEFITS	199,509	240,752	272,508	301,049
Sub Total	\$ 2,147,774	\$ 2,305,852	\$ 2,693,321	\$ 3,004,175
SUPPLIES AND MATERIALS	61,516	42,500	22,500	22,750
STORES FUND - STORES	281	2,140	2,140	2,140
COMM EXPNSE: TELEPHONE	25,785	3,891	3,891	3,891
COMM EXPNSE: POSTAGE	3,906	1,650	1,650	1,650
PRINT/ADV-OUTSIDE VENDORS	4,065	38,250	38,250	38,250
RENT: LAND & BUILDINGS	61			
RENT: EQUIPMENT & VEHICLES	10,280			
TRANS/TRAVEL: IN COUNTY	1,631	4,500	4,500	4,500
TRANS/TRAVEL: OUT OF COUNTY	4,612	9,000	9,000	9,000
TRANS/TRAVEL: OUT OF STATE	14,084	19,000	19,000	19,000
TRAINING	7,113	10,400	10,400	10,900
MILEAGE REIMBURSEMENT	5,044	2,500	2,500	2,500
DUES & SUBSCRIPTIONS	4,015	36,550	36,550	36,550
COMPUTER DATA PROCESSING	31,866	71,000	21,000	23,000
PROF & CONSULTANT SVCS	509,972	600,000	600,000	1,300,000
TAXES	1,316			
PWSUPPORT ADDTL CHARGES	15,523			
Sub Total	\$ 701,070	\$ 841,381	\$ 771,381	\$ 1,474,131
Combined Totals	\$ 2,848,844	\$ 3,147,233	\$ 3,464,702	\$ 4,478,306

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

PROGRAM: ENVNMTL COMPLIANCE & SAFETY
RESPONSIBLE MANAGER: RENE EYERLY

PROGRAM PURPOSE AND DESCRIPTION

Provides general environmental health and safety support (e.g. NPDES, Title V, OSHA) to the Plant and the rest of the department as needed, through a variety of programs as required by local, state and federal regulations. The desired outcome is to protect environmental and public health, create a safe working environment for employees, and maintain compliance with all local, state and federal regulations pertaining to environmental compliance and occupational safety.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Analyst II C	0.55			
Assoc Engineer		1	1	1
Assoc Environ Serv Spec	0.23	0.96	0.96	0.96
Biologist		2.7	2.7	2.7
Environment Compl Officer	0.36	0.4	0.4	0.4
Environment Serv Spec	1.95	1.66	2.6	2.6
Senr Analyst	0.55	0.6	0.6	0.6
Senr Engineer			1	1
Supervg Environ Serv Spec	0.72	1.86	1.9	1.9
Total Full-Time Positions	4.36	9.18	11.16	11.16

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11 Actuals	2011-12 Adopted	2012-13 Base	2012-13 Proposed
SALARIES-REG-FULL TIME	269,109	753,432	890,653	890,653
SALARIES-REG-PART TIME			-	
SALARIES - OVER TIME	-	-	-	
BENEFITS: RETIREMENT CONTRIB	68,091	335,711	449,781	449,781
OTHER FRINGE BENEFITS	48,120	144,934	149,977	149,977
Sub Total	\$ 385,320	\$ 1,234,077	\$ 1,490,411	\$ 1,490,411
SUPPLIES AND MATERIALS	1,562	33,171	33,171	33,171
STORES FUND - STORES	0	280	280	280
COMM EXPNSE: TELEPHONE	40	275	275	275
COMM EXPNSE: POSTAGE	7	312	312	312
PRINT/ADV-OUTSIDE VENDORS	33	250	250	250
DUPLICATING-STORES FUND	0	20	20	20
RENT: LAND & BUILDINGS	216	210	210	210
RENT: EQUIPMENT & VEHICLES	0	65	65	65
TRANS/TRAVEL: IN COUNTY	0	627	627	627
TRANS/TRAVEL: OUT OF COUNTY	220	2,127	2,127	2,127
TRANS/TRAVEL: OUT OF STATE	0	4,500	4,500	4,500
TRAINING	1,520	7,050	7,050	7,050
MILEAGE REIMBURSEMENT	147	1,120	1,120	1,120
VEHICLE OPERATING COSTS	220			
DUES & SUBSCRIPTIONS	1,741	63,458	63,458	63,458
COMPUTER DATA PROCESSING	2,421	2,000	2,000	2,000
PROF & CONSULTANT SVCS	4,279	387,000	314,000	314,000
Sub Total	\$ 12,406	\$ 502,465	\$ 429,465	\$ 429,465
Combined Totals	\$ 397,726	\$ 1,736,542	\$ 1,919,876	\$ 1,919,876

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

PROGRAM:

OFFICE OF SUSTAINABILITY

RESPONSIBLE MANAGER:

RENE EYERLY

PROGRAM PURPOSE AND DESCRIPTION

Provides support and technical expertise to City departments and the community for implementation of the Green Vision goals. Staff focuses on supporting programs related to energy and water efficiency, renewable energy technologies, zero waste, wastewater use, transportation and fuel alternatives, green jobs, urban forestry, and ultimately, greenhouse gas emissions.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Administrative Officer	0.46	0.41		
Environment Serv Prog Mgr	0.46	0.41	0.41	0.41
Environment Serv Spec	1.84	1.23	1.23	0.82
Environmental Laboratory Mgr		0.75		
Environmntl Sustainability Mgr			0.46	0.46
Senr Engineer		1.00		
Staff Technician	0.46			
Supervg Environ Serv Spec	0.92	0.82	1.82	1.82
Total Full-Time Positions	4.14	4.62	3.92	3.51

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11 Actuals	2011-12 Adopted	2012-13 Base	2012-13 Proposed
SALARIES-REG-FULL TIME	444,258	455,550	359,362	329,727
SALARIES-REG-PART TIME	11,180			
SALARIES - OVER TIME	11,588			
SALARIES - CONTRACTUAL				
BENEFITS: RETIREMENT CONTR	95,934	187,102	181,395	166,512
OTHER FRINGE BENEFITS	58,143	78,112	54,852	50,351
Sub Total	\$ 621,103	\$ 720,764	\$ 595,609	\$ 546,590
SUPPLIES AND MATERIALS	135,244	3,590	2,889	2,889
STORES FUND - STORES		418	337	337
COMM EXPNSE: TELEPHONE	606	315	253	253
COMM EXPNSE: POSTAGE	3	342	275	275
PRINT/ADV-OUTSIDE VENDORS	123	347	279	279
REN: EQUIPMENT & VEHICLES	3,321	346	279	279
TRANS/TRAVEL: IN COUNTY	335	656	528	528
TRANS/TRAVEL: OUT OF COUNT	712	1,111	895	895
TRANS/TRAVEL: OUT OF STATE	300			
TRAINING	1,042	4,047	3,257	3,257
MILEAGE REIMBURSEMENT	993	724	583	583
VEHICLE OPERATING COSTS	12	2,000	2,000	2,000
DUES & SUBSCRIPTIONS	9,103	12,300	9,900	9,900
COMPUTER DATA PROCESSING	23,330	23,741	19,109	19,109
PROF & CONSULTANT SVCS	38,389	174,026	9,679	9,679
Sub Total	\$ 213,513	\$ 223,963	\$ 50,263	\$ 50,263
Combined Totals	\$ 834,616	\$ 944,727	\$ 645,872	\$ 596,853

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

PROGRAM:

COMMUNICATIONS

RESPONSIBLE MANAGER:

JENNIFER GARNETT

PROGRAM PURPOSE AND DESCRIPTION

This program manages the media relations and public outreach needs for the wastewater treatment plant, and the wastewater pre-treatment and pollution prevention, water conservation, and recycled water programs. This includes responding to media inquiries and seeking media coverage; developing and maintaining best management practice fact sheets and newsletters for regulated businesses; publicizing and conducting community events to collect pharmaceuticals, mercury thermometers, and fats/oils/grease; promoting water saving behaviors and conservation programs; and supporting outreach to recycled water customers.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Analyst II C	0.49	0.50	0.50	0.50
Environment Serv Spec		1.00	1.00	
Marketing/Public Outrch Mgr	0.98	1.00	1.00	0.50
Marketing/Public Outrch Rep I	2.45	1.00	0.50	0.50
Marketing/Public Outrch Rep II	0.49	1.50	2.00	2.00
Program Manager II	0.49	0.50	0.50	0.50
Staff Specialist		0.50	0.50	0.50
Supervg Environ Serv Spec	0.49	0.50	0.50	
Total Full-Time Positions	5.39	6.50	6.50	4.50

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11 Actuals	2011-12 Adopted	2012-13 Base	2012-13 Proposed
SALARIES-REG-FULL TIME	543,515	498,352	490,657	329,551
SALARIES-REG-PART TIME	10,370			
SALARIES - OVER TIME	8,212			
	147			
BENEFITS: RETIREMENT CONTRIB	128,976	221,889	247,332	166,425
OTHER FRINGE BENEFITS	67,636	93,405	80,121	55,654
Sub Total	\$ 758,856	\$ 813,646	\$ 818,110	\$ 551,630
SUPPLIES AND MATERIALS	27,442	24,725	24,231	24,231
COMM EXPNSE: TELEPHONE	654	325	234	234
COMM EXPNSE: POSTAGE	4,594	14,000	14,000	14,000
PRINT/ADV-OUTSIDE VENDORS	14,145	138,700	105,700	105,700
DUPLICATING-STORES FUND	-	6,500	6,500	6,500
RENT: LAND & BUILDINGS	4,500			
RENT: EQUIPMENT & VEHICLES	390			
TRANS/TRAVEL: IN COUNTY	718	677	488	488
TRANS/TRAVEL: OUT OF COUNTY	57	153	110	110
TRAINING	20,106	3,057	2,201	2,201
MILEAGE REIMBURSEMENT	921			
veh	22			
DUES & SUBSCRIPTIONS	3,814	603	434	434
COMPUTER DATA PROCESSING	-	2,035	1,465	1,465
PROF & CONSULTANT SVCS	212,358	207,000	105,000	105,000
Sub Total	\$ 289,721	\$ 397,775	\$ 260,363	\$ 260,363
Combined Totals	\$ 1,048,577	\$ 1,211,421	\$ 1,078,473	\$ 811,993

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

PROGRAM: MANAGEMENT INFORMATION SVCS
RESPONSIBLE MANAGER: LINDA CHARFAUROS

PROGRAM PURPOSE AND DESCRIPTION

This division provides engineering and other specialized services in support of the City's environmental programs. Areas of responsibility include engineering design and construction; process and environmental engineering; and computer services.

PERSONNEL SUMMARY				
Full Time Positions	2010-11	2011-12	2012-13	2012-13
	Adopted	Adopted	Base	Proposed
Info Sysys Analyst	0.65	0.50	0.50	0.50
Network Engineer	0.65	0.69	0.69	0.69
Network Technician II	1.30	1.38	1.38	1.38
Senr Process & Syst Spec	0.65	0.69	0.69	0.69
Supervg Applicat Analyst	0.65	0.66	0.66	0.66
Systems Apps Progrmr II	1.30	1.85	1.85	1.85
Total Full-Time Positions	5.20	5.77	5.77	5.77

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

DETAILED PROGRAM BUDGET				
Detail/Category	2010-11 Actuals	2011-12 Adopted	2012-13 Base	2012-13 Proposed
SALARIES-REG-FULL TIME	519,751	473,871	473,429	473,429
COMPENSATED ABSENCE				
OTHER	568			
SALARIES - OVER TIME	23,698			
BENEFITS: RETIREMENT CONTRIB	129,468	211,143	239,081	239,081
OTHER FRINGE BENEFITS	61,684	79,741	76,182	76,182
Sub Total	\$ 735,169	\$ 764,755	\$ 788,692	\$ 788,692
SUPPLIES AND MATERIALS	442	1,380	1,380	1,380
STORES FUND - STORES		690	690	690
COMM EXPNSE: TELEPHONE	1,130	428	428	428
COMM EXPNSE: POSTAGE				
PRINT/ADV-OUTSIDE VENDORS		518	518	518
RENT: EQUIPMENT & VEHICLES		759	759	759
TRAINING		8,971	8,971	8,971
TRANS/TRAVEL: IN COUNTY	15			
TRANS/TRAVEL: OUT OF COUNTY	23			
MILEAGE REIMBURSEMENT	495	450	450	450
DUES & SUBSCRIPTIONS		174	174	174
COMPUTER DATA PROCESSING	30,807	74,743	74,743	74,743
PROF & CONSULTANT SVCS	78			
Sub Total	\$ 32,990	\$ 88,113	\$ 88,113	\$ 88,113
Combined Totals	\$ 768,159	\$ 852,868	\$ 876,805	\$ 876,805

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Performance Measures- Treatment Plant

	2010-2011 Actual	2010-2011 Target	2011-2012 Estimated	2012-2013 Target
 Millions of gallons per day discharged to the Bay during average dry weather season State order: 120 mgd or less*	90	<120	92	<120
 % of time pollutant discharge requirements are met or surpassed	100%	100%	99.93%	100%
 Number of requirement violations				
-Pollutant discharge	0	0	2	0
-Air emissions	1	0	0	0
 % of significant industrial facilities in consistent compliance with federal pretreatment requirements.	NEW	NEW	NEW	90%
 Cost per million gallons treated	\$960	\$995	\$960	\$990
 % of customers (permitted dischargers) satisfied or very satisfied with service, based on reliability and pre-treatment services	N/A**	90%	N/A**	N/A**

Changes to Performance Measures from 2011-2012 Adopted Budget: Yes¹

* Average dry weather season is defined as the lowest three month continuous average between May and October, which during the fiscal year reporting period is July-September.

** Survey was not conducted in 2011-2012. Staff is evaluating the effectiveness of surveys versus other data collection methods, and may recommend modifications to the current performance measures and methodologies.

¹ Changes to Performance Measures from 2011-2012 Adopted Budget:

✗ “% of scheduled industrial inspections completed on time” was deleted because it has not shown to be a useful measure and provides no meaningful information on service delivery or use of resources. Federal regulations require that every permitted industrial discharger be inspected at least once per year. This is a mandatory requirement that the City meets every year. Not completing the inspections annually would place the City at compliance risk and is not an option.

+ “% of significant industrial facilities in consistent compliance with federal pretreatment requirements” was added. Regulating industrial dischargers is a priority in the City’s Wastewater Permit. The City is required to report the percentage of significant industrial dischargers in consistent compliance to the Water Board annually. This is a gauge of the effectiveness of operations and educational efforts, as well as a measure of whether sufficient resources are being applied to inspection and enforcement of non-compliant facilities.

Activity and Workload Highlights

	2010-2011 Actual	2010-2011 Forecast	2011-2012 Estimated	2012-2013 Forecast
Average millions of gallons per day treated	111	111	118	115
Total population in service area	1,403,503	1,405,000	1,405,000	1,425,000

Changes to Activity & Workload Highlights from 2011-2012 Adopted Budget: No¹

* The San José/Santa Clara Water Pollution Control Plant (Plant) is a regional wastewater treatment facility serving eight South Bay cities and four sanitation districts including: San José, Santa Clara, Milpitas, Cupertino Sanitation District (Cupertino), West Valley Sanitation District (Campbell, Los Gatos, Monte Sereno and Saratoga), County Sanitation Districts 2-3 (unincorporated), and Burbank Sanitary District (unincorporated).

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Performance Measures-Recycled Water

	2010-2011 Actual	2011-2012 Target	2011-2012 Estimated	2012-2013 Target
 Millions of gallons per day diverted from flow to the Bay for beneficial purposes during the dry weather period*	14	15	13.1	13.1
 Millions of gallons of recycled water delivered annually	3,080	3,700	2,900	2,900
 % of time recycled water quality standards are met or surpassed	100%	100%	99.9%	100%
 % of wastewater influent recycled for beneficial purposes during the dry weather period*	13%	15%	12%	12%
 Cost per million gallons of recycled water delivered	\$1,822	\$1,603	\$2,122	\$2,306
 % of recycled water customers rating service as good or excellent, based on reliability, water quality, and responsiveness	82%	N/A**	N/A**	N/A**

Changes to Performance Measures from 2011-2012 Adopted Budget: No

* Dry weather period is defined as the lowest continuous three month average rainfall between May and October, which during the fiscal year reporting period is July-September.

** Data for this measure come from the Recycled Water Customer Satisfaction Survey. This survey was not conducted in 2011-2012. Staff will be evaluating the effectiveness of surveys versus other data collection methods between May and August 2012, and may recommend modifications to the current performance measures and methodologies. A Target is not provided at this time because modifications to the performance measure or data collection methodology may be recommended for 2012-2013.

Activity and Workload Highlights

	2010-2011 Actual	2011-2012 Forecast	2011-2012 Estimated	2012-2013 Forecast
Total number of South Bay Water Recycling customers	611	640	637	660

Changes to Activity & Workload Highlights from 2011-2012 Adopted Budget: No

San Jose/Santa Clara Water Pollution Control Plant
Environmental Services Department

Performance Measures- Water Conservation

	2010-2011 Actual	2011-2012 Target	2011-2012 Estimated	2012-2013 Target
 (Energy) % of energy used at the Water Pollution Control Plant that is renewable	59%	60%	53%	60%
 (Water) % of annual goal for gallons of water conserved tributary area-wide	87%	100%	105%	100%
 (Water) Annual net cost per gallon of water conserved through City programs	\$0.0055	\$0.0057	\$0.0054	\$0.0056
 (Water) % of residents demonstrating water conservation knowledge	N/A*	40%	N/A*	N/A**

Changes to Performance Measures from 2011-2012 Adopted Budget: No

* The data for this measure, which come from PG&E, will be available in July 2012.

** Data for this measure come from the Water Focus Survey. This survey was not conducted in 2010-2011 and 2011-2012. Staff will be evaluating the effectiveness of surveys versus other data collection methods between May and August 2012, and may recommend modifications to the current performance measures and methodologies. A Target is not provided at this time because modifications to the performance measure or data collection methodology may be recommended for 2012-2013.

Activity and Workload Highlights

	2010-2011 Actual	2011-2012 Forecast	2011-2012 Estimated	2012-2013 Forecast
Millions of gallons per day conserved (tributary area-wide)	0.244	0.260	0.274	0.121
Cumulative millions of gallons per day conserved since July 1992 (tributary area-wide)	8.98	9.2	9.25	9.37
# of United Nations Urban Environmental Accords Implemented (of 21 total Actions)	14	13	13	14

Changes to Activity & Workload Highlights from 2011-2012 Adopted Budget: No



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kerrie Romanow
David Sykes

SUBJECT: SEE BELOW

DATE: April 23, 2012

Approved

Date

5/1/12

SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE SAN JOSE/SANTA CLARA WATER POLLUTION CONTROL PLANT, WPCP ADMINISTRATION BUILDING STANDBY GENERATOR

RECOMMENDATION

Report on bids and award of construction contract for the Water Pollution Control Plan (WPCP) Administration Building Standby Generator project to the low bidder, Guerra Construction, Inc., in the amount of \$147,620, and approval of a contingency in the amount of \$14,800.

OUTCOME

Award of this construction contract will enable installation of a permanent standby generator at the San José/Santa Clara Water Pollution Control Plant (Plant). Approval of the contingency will provide funding for any unanticipated work necessary for the proper completion of the project.

BACKGROUND

The Plant has purchased a standby diesel generator to provide emergency power to the Administration Building in the event of an electrical power failure. The building houses a distributed control system (DCS) and computer servers that work to control critical aspects of the Plant's operations. It is imperative to keep these systems running during a power failure to ensure continuous operations of the wastewater treatment processes.

The standby generator requires installation on a permanent concrete foundation. A site west of the Administration Building has been identified as a suitable location for the generator. The project will construct a reinforced concrete pad and electrical connectors and circuits along with installation of the City-furnished generator which was purchased in 2010 in the amount of \$46,200. Other incidental work includes site preparation, landscaping, and surface restoration.

April 23, 2012

Subject: WPCP Administration Building Standby Generator Project

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ANALYSIS

Bids were opened on February 23, 2012, with the following results:

<u>Contractor</u>	<u>City</u>	<u>Bid Amount</u>	<u>Variance</u> <u>Amount</u>	<u>Over/(Under)</u> <u>Percent</u>
Smith & Son Electric	Fremont	\$235,200.00	\$35,000.00	17.5%
Rodan Builders Inc.	Burlingame	\$211,000.00	\$10,800.00	5.4%
Ranis Construction	San Francisco	\$210,850.00	\$10,650.00	5.3%
Engineer's Estimate		\$200,200.00	--	--
Archway Construction	San Jose	\$194,787.00	(\$5,413.00)	(2.7%)
ADC Construction	San Jose	\$187,450.00	(\$12,750.00)	(6.4%)
Blocka Construction	Fremont	\$182,094.00	(\$18,106.00)	(9.0%)
Redwood Engineering	Redwood City	\$169,720.00	(\$30,480.00)	(15.2%)
Anderson Pacific Inc.	Santa Clara	\$162,800.00	(\$37,400.00)	(18.7%)
Guerra Construction Group	Santa Clara	\$147,619.69	(\$52,580.31)	(26.3%)

The apparent low bid submitted by Guerra Construction Group (Guerra) is 26 percent below the Engineer's Estimate. The bid is considered acceptable for the work involved in the project. The lower than estimated bid can be attributed to a competitive bidding environment.

The second low bidder, Anderson Pacific Inc., submitted a written protest of Guerra's bid. The protest is attached to this memorandum. Anderson Pacific alleged that Guerra's bid was non-responsive on the basis that Guerra's electrical subcontractor, Aaron Tovar Construction Inc., did not have a valid contractor's license at the time of bidding. City staff checked with the State Contractor's License Board and determined that Aaron Tovar Construction Inc.'s contractor's license is current and active thereby making the protest moot.

Moreover, with regard to Anderson Pacific's argument, the general contractor is responsible for ensuring that its subcontractor is properly licensed before the subcontractor performs any construction work. Accordingly, City staff defers to the contractor to ensure that its subcontractor's contractor's license is current and active at the time work on the project commences.

Based on the foregoing, City staff has determined that the apparent low bidder has complied with all bid proposal requirements and that Anderson Pacific's bid protest is without merit.

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Council Policy provides for a standard contingency of 10 percent on public works projects involving utilities. Staff considers the standard contingency appropriate for this project

EVALUATION AND FOLLOW-UP

The project is currently within budget with a projected completion date of October 2012. No additional follow up actions with the Council are expected at this time.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: web Posting)**
- Criterion 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)**
- Criterion 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 item does not meet any of the above criteria. To solicit contractors, this project was advertised in the *San Jose Post Record*, as well as on BidSync. This memorandum will be posted to the City's website for the May 15, 2012 City Council agenda.

COORDINATION

This project and memorandum have been coordinated with the City Manager's Budget Office, City Attorney's Office, Office of Risk Management, and the Department of Planning, Building, and Code Enforcement. This item is scheduled to be heard at the May 10, 2012 Treatment Plant Advisory Committee (TPAC) meeting.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council approved Budget Strategy to focus on rehabilitating aging Plant infrastructure, improve efficiency, and reduce operating costs. This project is also consistent with the budget strategy principle of focusing on protecting our vital core services.

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COST SUMMARY/IMPLICATIONS

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$147,620
	Project Delivery	\$100,100
	Construction	147,620
	Contingency	<u>14,800</u>
	TOTAL PROJECT COSTS	\$ 262,520
	Prior Year Expenditures	\$35,393
	REMAINING PROJECT COSTS	\$ 227,127

2. COST ELEMENTS OF CONSTRUCTION CONTRACT: Lump sum contract.
3. SOURCE OF FUNDING: 512 – San José-Santa Clara Treatment Plant Capital Fund.
4. OPERATING COST: Existing funds are available for this project. No additional appropriation action is required. The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	Adopted CIP Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$227,027	\$147,620		
Current Funding Available							
512	4341	Plant Electrical Reliability	165875	\$2,814,000	\$147,620	V-171	Ord. No. 28928. Dated 6/21/11
Total Current Funding Available				\$2,814,000			

HONORABLE MAYOR AND CITY COUNCIL

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CEQA

CEQA: Exempt, PP11-019.

/s/

David Sykes
Director of Public Works

/s/

Kerrie Romanow
Acting Director, Environmental Services

For questions please contact Jon Newby, Deputy Director, Environmental Services Department,
at (408) 635-2000.

Attachment



ANDERSON PACIFIC
Engineering Construction, Inc.

February 28, 2012

Water Pollution Control Department
City of San Jose
700 Los Esteros Road
San Jose, CA 95134

Attn: Dave Montenegro,
Re: WPCP Administration Building Standby Generator
Project No. 6718
Anderson Pacific's Bid Protest

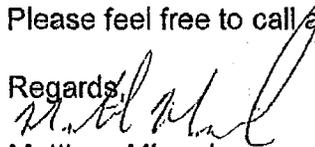
Mr. Montenegro:

In reviewing the proposals for Bid #6718, WPCP Administration Building Standby Generator, the apparent low bidder, Guerra Construction Group (Guerra) listed Aaron Tovar Construction, Inc. (Tovar), to perform "Electrical" work. According to the Contractors State License Board, Tovar's contractor's license has been suspended (attached). If giving the opportunity to proceed with the project, Guerra would be free to circumvent the California Public Contract Code's (PCC) subcontracting listing requirements. This affords Guerra an unfair competitive advantage over all other bidders. Without a qualified subcontractor, Guerra can solicit additional proposals from any and all electrical contractors. The advantage is increased as Guerra offers the only opportunity to award a subcontract for this project. In addition, if Guerra's bid was substantially low and wanted to withdraw pursuant to PCC Section 5103, it could claim clerical error in listing an unlicensed subcontractor.

The electrical work represents approximately 48% of the proposed contract value and is critical to the success of the project. Under California Public Contract Code, Section 4104, a public works contractor is required to list all subcontractors whose work exceeds more than 1/2% of the prime contractor's bid or \$10,000, whichever is greater. Guerra's decision to list an unlicensed subcontractor is a direct and material violation of the PCC, which can only be remedied by declaring the proposal nonresponsive. Therefore, Guerra's bid must be rejected and Anderson Pacific be awarded the contract as the lowest responsible bidder.

Please feel free to call at your earliest convenience to discuss this matter further.

Regards,


Matthew Mirenda
Project Manager

cc. McInerney and Dillon

■ 1390 Norman Avenue
Santa Clara, CA 95054
Fax: 408/970-9975
408/970-9900
Lic. No. 245215



Subject: **REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 6925 – NORTECH-ZANKER SERVICE LATERAL PROJECT**

Council Agenda: 5-15-12
Item:

City Council Action Request

Departments: Environmental Services Public Works	CEQA: Exempt, PP11-054	Coordination: Risk Mgmt, Equality Assurance; CMO; CAO; PBCE; and TPAC	CMO Approval: 
			Dept. Approval: Kerrie Romanow /s/ David Sykes /s/

RECOMMENDED ACTION:

- (a) Award the construction contract for the Nortech – Zanker Service Lateral Project to the lowest bidder, Platinum Pipelines, Inc., in the amount of \$578,960.
- (b) Approve a contingency in the amount of \$115,000.

BASIS FOR RECOMMENDATION:

The Nortech-Zanker Service Lateral Project is the first of two phases to provide improved potable water supply to the Environmental Services Building, Water Pollution Control Plant (WPCP) warehouse, and Transmission Pump Station, with the potential for expansion to the south east portion of the WPCP. The new 12-inch ductile iron pipe service lateral will connect from the existing potable water system in Nortech Parkway; traverse easterly across the plant buffer land; and redirect north at Zanker Road towards the Environmental Services Building on Zanker Road. The entire service lateral project will span approximately 5,200 linear feet. A subsequent contract will be required to make the final connection from the terminus of the pipeline into the WPCP and provide the final connection to the buildings on-site.

Bids were opened on March 29, 2012, and a total of nine bidders submitted proposals. Platinum Pipelines, Inc. from Dublin, CA, submitted the lowest bid in the amount of \$578,960, 42.9% below the engineer's estimate. The three lowest bidders were within 15% of each other indicating a highly competitive bidding environment. Staff reviewed the low bid submitted by Platinum Pipelines, Inc. and found the proposal to be acceptable for this project. There was one bid irregularity - the bid received from Northern Underground Construction, Inc. had a math error which, once corrected, resulted in their bid being seventh-lowest versus eighth-lowest initially. This item is scheduled to be considered at the May 10, 2012 Treatment Plant Advisory Committee Meeting.

A 20% contingency is expected to provide sufficient funding to cover any unanticipated tasks necessary for completion of this work, including, but not limited to, unforeseen underground conditions, inconsistent high ground water level, and additional environmental mitigation. Construction is scheduled to begin in June 2012 with substantial completion in October 2012.

COST AND FUNDING SOURCE:

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$578,960
2.	COST OF PROJECT:	
	Construction	\$578,960
	Project Delivery	\$87,040
	Contingency	\$115,000
	TOTAL PROJECT COSTS	\$781,000
3.	SOURCE OF FUNDING: 2011-2012 Adopted Water Pollution Control Plant Capital Budget	
	Fund 512 – SJ/SC Treatment Plant Capital Fund	SBWR Backup Water Supply Appropriation, \$3.0 million Modified Budget (Ord. No. 28928, 6/21/2011)
4.	FISCAL IMPACT: Existing funds available for this project; no additional appropriation required.	
FOR QUESTIONS CONTACT: Jeffrey Provenzano, Acting Division Manager, Environmental Services at (408) 277-3288.		

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

April 1 - April 30, 2012

Description of Contract Activity ¹	Fiscal Year	Req#/RFP#	PO#	Vendor/Consultant	Original \$ Amount	Start Date	End Date	Additional \$ Amount	Total \$ Amount	Comments
NEW:										
NEW OFF ROAD CRANE PER SJ SPECIFICATION	FY11-12	15954		NIXON EGLI EQUIPMENT CO	\$480,200					
FUEL & PETROLEUM PRODUCTS, SPECIALIZED MOTOR OILS	FY11-12	13969	46191	COAST OIL CO	\$140,000	7/1/11	6/30/12	\$60,000	\$200,000	
ONGOING:										
TRACTORS - AERATOR MODIFICATIONS	FY11-12	15317		PETERSON TRACTOR CO	\$900,000					
PO:SERVICES: FIBER OPTIC NETWORK EXPANSION	FY11-12	15360		ROSENDIN	\$245,000					
REPLACEMENT 3-PHASE 40 KVA FERRO UPS	FY11-12	15490		AMETEK SOLID STATE CONTROLS	\$144,066					

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)