

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

San José City Hall
Thursday, January 8, 2026, at 4:00 p.m.

1. ROLL CALL

The Treatment Plant Advisory Committee Meeting convened at 4:02 p.m. Roll call was taken with the following members in attendance.

Committee Members: Domingo Candelas, David Cohen, Dan Furtado, Albert Gonzalez, Manuel Pineda, Patrick Kwok, Carmen Montano, Michael Mulcahy

Vice Chair Karen Hardy joined the meeting in progress at 4:04 p.m. and was not present at the time of roll call.

Ayes – 8 (Candelas, Cohen, Furtado, Gonzalez, Pineda, Kwok, Montano, Mulcahy)

Nays - 0

Abstain – 0

Absent – 1 (Hardy)

2. APPROVAL OF MINUTES

A. November 13, 2025

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

Ayes - 8 (Candelas, Cohen, Furtado, Gonzales, Pineda Kwok, Montano, Mulcahy)

Nays - 0

Abstain – 0

Absent – 1 (Hardy)

Vice Chair Karen Hardy joined the meeting in progress at 4:04 p.m. and was not present at the time of the approval of the minutes.

3. UNFINISHED BUSINESS/REQUEST FOR DEFERRALS

There was no unfinished business.

4. **DIRECTOR'S REPORT**

Director's Report (verbal)

ESD Director Jeff Provenzano (Provenzano) stated that there was no Director's report.

5. **AGREEMENTS/ACTION ITEMS**

A. Actions Related to the Emergency Repairs of Pond A18's Southern Gate Structure Located at the San José-Santa Clara Regional Wastewater Facility

Staff Recommendation:

- (a) Accept the staff report detailing the status of the San José-Santa Clara Regional Wastewater Facility's Pond A18's southern gate structure, the likelihood for failure, the consequences of failure, and the plan for immediate action to repair the structure.
- (b) Adopt a resolution by the affirmative vote of at least eight members of the City Council as required by Section 1217 of the City Charter:
 - a. Declaring and finding that, based on substantial evidence, public interest and urgent necessity demand the immediate contractor procurement to perform emergency repair of the San José-Santa Clara Regional Wastewater Facility's Pond A18 southern gate structure without formal bidding as otherwise required under Section 1217 of the City Charter for the preservation of life, health, and property, and that the emergency repair will not permit a delay resulting from formal bidding as otherwise required under Section 1217 of the City Charter, and that the action is necessary to respond to the urgent necessity; and
 - b. Delegating authority to the Directors of Environmental Services and Public Works to:
 - (i) Negotiate and award construction contracts necessary to repair the southern gate structure in order to protect Pond A18 and levees in an amount not to exceed \$2,150,000;
 - (ii) Approve a 20% contingency in an amount not-to-exceed \$430,000; and
 - (iii) Direct staff to file CEQA emergency exemption documentation and pursue required agency emergency permits concurrently.

This item will be considered by City Council on January 13, 2026.

There was a presentation by Chief Plant Operator Bryan Berdeen (Berdeen).

Committee Member Patrick Kwok (Kwok) noted that it was his understanding that there was a complete repair of the levee in 2018 and asked why there has been a failure 7 years after repairs. Berdeen responded that the north gate structure was repaired in 2018, and that the south gate structure was evaluated at that time, and did not show signs of the current failure up until the beginning of 2025.

Kwok asked if the Regional Water Board had been informed of the potential permit violation, and if they have issued any cease and desist order. RWF General Manager Mariana Chavez-Vazquez (Chavez-Vazquez) responded that no cease and desist order has been issued, that the water board has been informally notified that there are issues with the structure, and that the purpose of the emergency declaration is to get the repairs done quickly to avoid additional issues.

Kwok asked about CEQA considerations. Chavez-Vazquez responded that they are working with the City's CEQA team to accelerate the process. ESD Division manager Jennifer Brown confirmed that there are permits that need to be handled, and that they have managed similar situations in the past.

Kwok asked if the requirement of 8 City Council votes was standard. Assistant City Attorney Kevin Fisher (Fisher) responded that in order to avoid the standard bidding process in the event of an urgent necessity, the City Council must agree with a super majority of 8 votes. Fisher also noted that even in the case of an urgent necessity, the City will follow as competitive a process as possible in the accelerated time frame.

Committee Member David Cohen (Cohen) inquired about the long-term plans for transferring Pond A-18 to Valley Water. Chavez-Vazquez responded that the City is ready to transfer Pond A-18 to Valley Water, and that they are waiting for Valley Water to secure funding for the purchase.

Vice Chair Karen Hardy (Hardy) commented that based on the report, it would be best not to wait to repair the structure, and that this is an urgent situation.

Committee Member Dan Furtado (Furtado) made a statement on behalf of the West Valley Sanitation District that Pond A-18 is not materially necessary for the operation of the RWF, and that therefore the project related to Pond A-18 is outside the scope of charges that can be made to tributary agencies under the terms of the master agreement. He noted that West Valley Sanitation District objects to being charged for this work and noted that CIP projects are not authorized absent an amendment. Furtado noted that it is not clear how these costs will be allocated. He noted that any charge would need to utilize the rolling weight average method for projects under \$2 million and use the parameter-specific method for projects over \$2 million. Furtado noted that the West Valley Sanitation District is prepared to have staff discuss an amendment option.

There was no comment from the public on this item.

Action: On a motion made by Vice Chair Karen Hardy and a second by Committee Member Patrick Kwok, TPAC recommended approval of the item:

Ayes – 7 (Candelas, Cohen, Gonzalez, Hardy, Pineda, Kwok, Montano, Mulcahy)

Nays – 2 (Furtado, Montano)

Abstain – 0

Absent – 0

B. Legal Services Agreement with Hawkins, Delafield & Wood LLP for the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program

Staff Recommendation:

Adopt a resolution authorizing the City Attorney to negotiate and execute a legal services master agreement with Hawkins, Delafield & Wood LLP, in an amount not to exceed \$4,000,000 for a term from the date of execution by the City through June 30, 2030, with the City's right, at the discretion of the City Attorney, to extend the term of this Agreement for up to two (2) additional two-year terms through June 30, 2034, to support the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program.

This item will be considered by City Council on January 13, 2026.

Hardy asked how much was spent last year on legal. Chavez-Vazquez responded that this contract is only regarding legal issues related to design-build as needed. RWF Principal Engineer David Ohlson (Ohlson) added that there were no expenditures on legal council related to design-build issues last year.

Furtado made a statement on behalf of the West Valley Sanitation District that CIP projects are not authorized to be charged to tributary agencies pursuant to the master agreement absent an amendment. He noted that the West Valley Sanitation District is prepared to have staff discuss an amendment option.

Cohen asked to clarify that this item is a contingency, and that there may not be any money spent. Fisher responded in the affirmative.

Committee Member Carmen Montano (Montano) asked if expenditures under this agreement would come back to TPAC for approval. Chavez-Vazquez responded that TPAC will receive a report of the expenditures in the event that this agreement is utilized.

There was no comment from the public on this item.

Action: On a motion made by Committee Member David Cohen and a second by Committee Member Albert Gonzalez, TPAC recommended approval of the item:

Ayes – 7 (Candelas, Cohen, Gonzalez, Hardy, Pineda, Kwok, Mulcahy)

Nays – 2 (Furtado, Montano)

Abstain – 0

Absent – 0

C. Approval of a Design-Build Contract with Jacobs Project Management Co. for the Additional Digester Facility Upgrade Project at the San José-Santa Clara Regional Wastewater Facility

Staff Recommendation:

- (a) Approve the design-build contract with Jacobs Project Management Co. (Jacobs) for the Additional Digester Facility Upgrade Project at the Regional Wastewater Facility (RWF) in an amount not to exceed \$9,542,366 for the performance of preliminary services under the contract, subject to the appropriation of funds.
- (b) Approve a design contingency in the amount of \$954,237 for City-approved changes to the scope of Preliminary Services.
- (c) Adopt a resolution authorizing the City Manager or her designee to:
 - (1) Negotiate and execute separate amendments to the contract to allow Jacobs to proceed with discrete portions of the design-build work (referred to as “Early Work Packages”) prior to the City’s execution of the definitive contract amendment in an amount not to exceed \$10,000,000, which amounts will be subject to the base guaranteed maximum price (GMP) and to the appropriation of funds.
 - (2) Negotiate and execute change orders in excess of \$100,000 up to the amount of the approved contingency for changes to the scope of the preliminary services and/or Early Work Packages.
- (d) Adopt the following 2025-2026 appropriation ordinance amendments in the San José-Santa Clara Treatment Plant Capital Fund:
 - (1) Increase the Additional Digester Upgrades appropriation to the Environmental Services Department by \$661,000; and
 - (2) Decrease the Switchgear S2/S2A Replacement appropriation to the Environmental Services Department by \$661,000.

This item will be considered by City Council on January 13, 2026.

There was a presentation by ESD Deputy Director Kapil Verma (Verma).

Hardy commented that she believes the design-build is a good option. She asked if, after the completion of this project, the RWF would be able to increase the percentage of its own energy that it creates. Chavez-Vazquez responded that the addition of FOG processing would increase that percentage. Berdeen added that the gas produced from this process could be used to produce more local energy in additional generators, or it could be used to displace purchased natural gas, and that they estimate between 15% and 30% offset.

Furtado asked if the temperatures in the digestors are high enough to destroy PFAS. Chavez-Vazquez responded in the negative.

Furtado asked if the capital costs for this project will be allocated using the rolling weighted average method or the parameter specific method. Ohlson responded that up until a year after the design is completed, the rolling average method would be used, after which time the parameter specific method will be used. Furtado commented that utilizing the rolling weighted method for projects exceeding \$2 million is inconsistent with the master agreement, and that CIP projects are not authorized to be charged to the tributary agencies pursuant to the master agreement absent an amendment. He added that the West Valley Sanitation District is prepared to have staff discuss an amendment option.

Kwok asked if only the four or five digesters that have been in active operation are needed. Berdeen responded that four digesters are permanently abandoned, 4 more have been retrofitted and are operating successfully as thermophilic digesters, and the remainder are available as mesophilic digesters, and that no more than two of those mesophilic digesters can be out of service at any one time.

Kwok asked if there is a necessity to utilize more digestors. Berdeen responded in the affirmative, due to an increase in loads.

Kwok inquired about the status of the digester that had been previously allocated for FOG. Berdeen responded that the digester in question was taken apart to be retrofitted as one of the thermophilic digesters. Chavez-Vazquez clarified that that had been a pilot program with no final agreement, and that the digester in question had not been properly designed to handle FOG's gas piping needs. Kwok asked if the original designer was contacted about this. Chavez-Vazquez responded that she did not know, because she did not work at the RWF at the time. Berdeen added that the previous system was functional, but not sustainable.

Kwok commented that Cupertino Sanitary District, along with some other tributary agencies, have been opposing the mechanical drying process.

Cohen asked how many digesters will be in operation once this project is complete. Chavez-Vazquez responded that the goal is to have ten digesters in operation.

Cohen asked if there is a plan to increase cogeneration. Chavez-Vazquez responded that this is a possibility, and that the current cogeneration facility has space available.

Cohen commented that this project will come with cost savings from generating more electricity.

Cohen asked if the RWF is behind on commissioning the dewatering facility. Chavez-Vazquez responded that there was an issue with mechanical equipment in the dewatering facility. Verma confirmed that the repairs should be complete later this year. Montano asked how this mechanical oversight could have occurred. Verma responded that, since the RWF is such a large facility, there are many potential challenges on each project.

Montano asked how the cost savings will affect the rates paid by the tributary agencies. Chavez-Vazquez responded that credits will be deducted from the final bill each agency pays.

Montano asked how much Milpitas pays the RWF. ESD Principal Accountant Laura Burke responded that she would follow up with that exact amount.

Kwok asked if RWF has a dedicated station to receive FOG. Chavez-Vazquez responded that this project plans to build one.

There was no comment from the public on this item.

Action: On a motion made by Committee Member Carmen Montano and a second by Vice Chair Karen Hardy, TPAC recommended approval of the item:

Ayes – 7 (Candelas, Cohen, Gonzalez, Hardy, Pineda, Montano, Mulcahy)

Nays – 2 (Furtado, Kwok)

Abstain – 0

Absent – 0

6. OTHER BUSINESS/CORRESPONDENCE

There was no other business or correspondence.

7. STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC

A. Master Consultant Agreement with HydroScience Engineers, Inc. for Consultant Engineering Services for the South Bay Water Recycling System Condition Assessment

Staff Recommendation:

Approve a two-year term Master Consultant Agreement with HydroScience Engineers, Inc., to support completion of a condition assessment of the South Bay Water Recycling system for a total maximum compensation of \$500,000.

This item was approved by City Council on November 18, 2025.

B. Master Consultant Agreement with Raftelis Financial Consultants, Inc. for Wastewater Flow and Loading Study

Staff Recommendation:

Adopt a resolution authorizing the City Manager, or her designee, to negotiate and execute a master consultant agreement with Raftelis Financial Consultants, Inc. for an amount not to exceed \$3,700,000.

This item was approved by City Council on November 18, 2025.

C. Master Easements Agreement and Site Works Agreement with Microsoft Corporation and Valley Water for San José-Santa Clara Regional Wastewater Facility

Staff Recommendation:

Adopt a resolution authorizing the City Manager, or her designee, to negotiate and execute a:

- a. Master Easement Agreement with Microsoft Corporation in exchange for a payment of no less than \$9,274,314, including \$8,725,000 for the easements and \$549,314 for the city to purchase the potable water line serving the San José-Santa Clara Regional Wastewater Facility, that will:
 - i. Convey permanent easements to install below-grade utilities, including potable water lines, recycled water lines, sanitary sewer lines, fire water lines, and storm drains across undeveloped buffer lands situated to the south of the San José-Santa Clara Regional Wastewater Facility operational area;
 - ii. Convey temporary construction easements as required to facilitate execution of the projects contemplated by this Agreement and enumerated in this memorandum;
 - iii. Convey an easement for the extension of McCarthy Lane and provide ingress and egress access across McCarthy Lane; and
 - iv. Convey a temporary construction easement to widen and improve Zanker Road to include bicycle lanes, a center median, pedestrian walkways, and bioswales; and
- b. Site Works Agreement with Microsoft Corporation and Valley Water defining the scope, location, and terms of Microsoft Corporation's construction of a new visitor center on lands of the San José-Santa Clara Regional Wastewater Facility, which are leased to the Santa Clara Valley Water District, and other site improvements; and

- c. Any other documents related to and necessary to execute, administer, and/or enforce the above Agreements.

This item was approved by City Council on November 18, 2025.

D. Request for Qualification Selection of Developer and Backup Developer for 159 acres at San José-Santa Clara Regional Wastewater Facility

Staff Recommendation:

Adopt a resolution authorizing the City Manager, or her designee, to:

- (a) Select Prologis Inc. as the preferred developer pursuant to the Request for Qualifications offered, for the 159 acres of economic development land belonging to the San José-Santa Clara Regional Wastewater Facility, and select a joint venture between Catellus Development Corporation and Deca Companies as the backup developer for these lands;
- (b) Negotiate and execute an Exclusive Negotiation Agreement with the selected developer for a term of two years with three one-year option terms at the City of San José's discretion; and
- (c) Negotiate and execute an Exclusive Negotiation Agreement with the backup developer, for a term of two years with three one-year option terms at the City of San José's discretion, should negotiations with the selected developer fail to provide an agreement with the terms and conditions sought by the City of San José for this project.

This item was approved by City Council on November 18, 2025.

8. REPORTS

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

For Procurement and Contract Activity between \$100,000 and \$1.43 Million for Goods and \$100,000 and \$350,000 for Services.

8. A. Purchase Order Report 10/1/2025-12/11/2025

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

9. MISCELLANEOUS

- A. The next regular TPAC Meeting is scheduled in person on **February 12, 2026, at 4:00 p.m.** at City Hall, Room T1734.

10. OPEN FORUM

There were no comments from the committee or the public.

11. ADJOURNMENT

The Treatment Plant Advisory Committee meeting was adjourned at 4:48 p.m.

Domingo Candelas, Chair
TREATMENT PLANT ADVISORY COMMITTEE