



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kerrie Romanow

SUBJECT: SEE BELOW

DATE: May 14, 2018

Approved

Date

5-24-18

SUBJECT: ACCEPTANCE OF REIMBURSEMENT FUNDS FOR THE LARGE TRASH CAPTURE PROJECT UNDER A COOPERATIVE AGREEMENT BETWEEN CALTRANS AND CITY OF SAN JOSE

RECOMMENDATION

Adopt a resolution authorizing the City Manager:

1. To negotiate and execute a Cooperative Implementation Agreement with the State of California by and through the Department of Transportation (Caltrans) to accept reimbursement for the construction of large trash capture devices capturing drainage from Caltrans jurisdiction and minimizing trash from discharging to local watersheds and into the San Francisco Bay, in the approximate amount of \$ 1.6 million, or to the fullest extent allowed with funding authorized by Caltrans; and
2. To negotiate and execute options, amendments, or other agreements with Caltrans, in excess of the City Manager's authority, accepting future Caltrans reimbursements for large trash capture devices serving Caltrans right-of-way.

OUTCOME

Adopting the Resolution will allow the City to receive reimbursement in Fiscal Year 2018-2019 of approximately \$1.6 million for large trash capture devices installed by the City that treat City and Caltrans right-of-way. This agreement will offset City expenditures for up to three installed large trash capture systems and authorize the City Manager to accept future reimbursements for additional devices as Caltrans funding permits.

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BACKGROUND

The City's storm sewer system is regulated under Municipal Regional Stormwater National Pollutant Discharge Elimination System Permit (Order R2-2015-0049) (Stormwater Permit) issued by the Water Board. The Stormwater Permit specifies actions necessary to reduce the discharge of pollutants, including trash, into the municipal storm sewer system to protect local creeks and the Bay, and requires all permittees to reduce trash discharges from 2009 levels to the storm sewer system by 70% by 2017, 80% by 2019, and 100% trash load reduction or "no adverse impact" to receiving waters from trash by July 1, 2022.

Since 2011, the City has installed 26 individual large trash capture (LTC) devices at 22 locations that treat a total of 8,095 acres at a cost of approximately \$20,000,000. The LTC devices account for 36% of the City's 79% trash load reduction achieved as of July 1, 2017. The City will install an additional six LTC devices at six locations treating an estimated 2,411 additional acres by June 2019.

Caltrans is regulated under the National Pollutant Discharge Elimination System (NPDES) Statewide Storm Water Permit Waste Discharge Requirements for State of California Department of Transportation (ORDER 2012-0011-DWQ) (Caltrans Permit). The Caltrans Permit prescribes the implementation requirements for reducing pollutants in stormwater from eight pollutant categories which include sediment, nutrients, mercury, siltation, turbidity, metals, toxics, pesticides and trash. Stormwater from Caltrans right-of-way may discharge to stormwater conveyance systems managed by other NPDES permitted municipalities (e.g., City of San José). Each year, Caltrans is required to achieve a minimum of 1,650 compliance units. Caltrans may receive credit for compliance units by contributing funds to agencies that enter into Cooperative Implementation Agreements with approval from the San Francisco Bay Regional Water Quality Control Board (Water Board).

ANALYSIS

According to the California Streets and Highways Code, Caltrans is authorized to enter into a Cooperative Agreement for improvements to the state highway system as a watershed stakeholder within the City's jurisdiction. The scope of the agreement defines the City's roles and responsibilities for all management, maintenance and operations costs. The City will provide Caltrans with project invoices for each LTC listed in the agreement for approval and reimbursement. The agreement terminates when both parties have met all scope, cost, and schedule commitments included in the agreement, and sign a closure statement. The term of the agreement will not exceed five years, including all options. Staff is in the process of itemizing and documenting recoverable expenses. There is potential for future reimbursement for additional trash capture devices, under Caltrans State Highway Operation and Protection Program.

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Initially, Caltrans will reimburse the City approximately \$1.6 million for large trash capture devices that treat Caltrans' right-of-way through the Cooperative Implementation Agreement. In return, the Water Board will credit Caltrans with one Compliance Unit for each \$88,000 paid to the City. A compliance unit is defined as one acre of Caltrans' right-of-way from which the runoff is retained, treated, and/or otherwise controlled prior to discharge to the water body.

LTC devices considered for reimbursement under this agreement are identified in the attachment. Under the Cooperative Agreement, Caltrans will reimburse the City for additional devices by exercising its options. The amount of future reimbursement (and corresponding compliance credit) will be determined by the availability of Caltrans reimbursement funds.

EVALUATION AND FOLLOW-UP

No additional Council follow-up action is expected at this time.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 5, 2018 Council Meeting.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and Department of Public Works.

COMMISSION RECOMMENDATION/INPUT

No City Commission action was required for this item.

COST SUMMARY/IMPLICATIONS

The revenue estimate associated with the Cooperative Implementation Agreement with the State of California is approximately \$1.6 million for 2018-2019. Staff anticipates bringing forward a budget recommendation to recognize this revenue in 2018-2019 as part of the year-end budget process.

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CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/

Kerrie Romanow

Director, Environmental Services

For questions, please contact Napp Fukuda, Deputy Director, at (408)793-5353.

Attachment: San José HDS Devices Treating Caltrans Right-Of-Way

San José HDS Devices Treating Caltrans Right-Of-Way

