



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Cano

SUBJECT: SEE BELOW

DATE: June 15, 2020

Approved

Date

6/19/2020

SUBJECT: APPROVAL OF THE FIRST AMENDMENT TO THE COST-SHARING AGREEMENT BETWEEN THE CITY OF SAN JOSE AND WEST VALLEY SANITATION DISTRICT

RECOMMENDATION

Approve the First Amendment to the Cost-Sharing Agreement with West Valley Sanitation District extending the term of the Agreement by two years until June 30, 2022, for construction, operation and maintenance of joint use sanitary sewers.

OUTCOME

Approval of this First Amendment to the cost-sharing agreement will provide sufficient time for staff to complete negotiations of the remaining terms of the agreement with West Valley Sanitation District and will enable the City to continue to invoice West Valley Sanitation District for reimbursement to the City for construction, operation and maintenance related costs paid by the City for the joint use of City sanitary sewers.

BACKGROUND

On June 25, 2002, City and District entered into an agreement entitled "Cost-Sharing Agreement between City of San Jose and West Valley Sanitation District of Santa Clara County for Construction, Operation and Maintenance of Joint Use Sanitary Sewers." The term of the existing Agreement is retroactive to July 1, 2000 and will expire on June 30, 2020.

ANALYSIS

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The City and West Valley Sanitation District have been actively discussing a new agreement to reflect changes in joint-use sanitary sewer systems and administrative practices related to recent addition and construction of new joint-use sanitary sewer lines, capacity reserved for City and for District, and operations and maintenance responsibilities. However, these negotiations have taken longer than expected and they will not conclude before the current agreement expires. Therefore, a First Amendment is being proposed to extend the term of the agreement for additional two years until June 30, 2022. This extension will provide sufficient time for staff to complete negotiations of the remaining terms of the agreement with West Valley Sanitation District.

CONCLUSION

In summary, this memorandum is recommending the approval of the First Amendment to the Cost-Sharing Agreement with West Valley Sanitation District extending the term of the Agreement by two years for construction, operation and maintenance of joint use sanitary sewers until June 30, 2022.

EVALUATION AND FOLLOW-UP

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

CLIMATE SMART SAN JOSE

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the June 30, 2020 Council agenda.

COORDINATION

This First Amendment was coordinated with the City Attorney's Office, the Department of Transportation, and the West Valley Sanitation District.

COMMISSION RECOMMENDATION/INPUT

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No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

CEQA

Not a Project, File No. PP17 003, Agreement/Contracts resulting in no physical changes to the environment.

/s/

MATT CANO
Director of Public Works

For questions please contact Michael O'Connell, Deputy Director, Public Works Department, at 535-8300

TR:MN:MO

