

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

San José City Hall
Thursday, March 12, 2026, at 4:00 p.m.

1. ROLL CALL

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

Committee Members: Domingo Candelas, David Cohen, Albert Gonzalez, Karen Hardy, Patrick Kwok, Carmen Montano, Michael Mulcahy, Lisa Shannon*

*Alternate for Dan Furtado

Ayes – 8 (Candelas, Cohen, Gonzalez, Hardy, Kwok, Montano, Mulcahy, Shannon)

Nays - 0

Abstain – 0

Absent – 1 (Pineda)

2. APPROVAL OF MINUTES

A. January 8, 2026

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

Ayes - 8 (Candelas, Cohen, Gonzalez, Hardy, Kwok, Montano, Mulcahy, Shannon)

Nays - 0

Abstain – 0

Absent – 1 (Pineda)

3. UNFINISHED BUSINESS/REQUEST FOR DEFERRALS

There was no unfinished business.

4. DIRECTOR'S REPORT

Director's Report (verbal)
CIP Quarterly Status Report October – December 2025

5. **AGREEMENTS/ACTION ITEMS**

A. Exclusive Negotiations Agreement between City of San Jose, Valley Water, and City of Santa Clara

Staff Recommendation:

Authorize the City Manager or her designee to execute the Exclusive Negotiations Agreement between City of San José, Santa Clara Valley Water District, and City of Santa Clara, for Real Property to Develop the Proposed Pure Water Silicon Valley Project

This item will be considered by City Council on March 24, 2026.

Lisa Shannon (Shannon) (Alternate for Committee Member Dan Furtado) made a statement noting that when a lease or revenue agreement returns to TPAC, the West Valley Sanitation District is entitled to a fair market credit consistent with the terms in the master agreement.

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 Michael Mulcahy, TPAC recommended approval of the item:

Ayes – 8 (Candelas, Cohen, Gonzalez, Hardy, Kwok, Montano, Mulcahy, Shannon)

Nays – 0

Abstain – 0

Absent – 1 (Pineda)

B. Easement Agreement with LS Power Grid California, LLC for Installation of Electrical Transmission Infrastructure Across Lands of San José-Santa Clara Regional Wastewater Facility

Staff Recommendation:

Adopt a resolution authorizing the City Manager, or her designee, to negotiate and execute an easement agreement between the City of San José and LS Power Grid California, LLC to install infrastructure for electrical transmission, such as power poles and electrical transmission lines across lands of the San José-Santa Clara Regional Wastewater Facility in exchange for a payment of \$1,240,000, and any other related documents in connection therewith.

This item will be considered by City Council on March 24, 2026.

There was a presentation by Director of Real Estate Kevin Ice (Ice).

Vice Chair Karen Hardy (Hardy) asked a question regarding the timing of the underground placement of the power lines and the future development of the land, and if those could happen as part of one project. RWF General Manager Mariana Chavez-Vazquez (Chavez-

Vazquez) responded that there is no current finalized use of those lands other than operational use, and that any such projects are not yet planned.

Committee Member David Cohen (Cohen) asked a question regarding the 7-year timeline. Ice responded that the City has 4 to 7 years to have the contractor underground the power lines. Ice clarified that the location of the power lines is at the City's discretion. Chavez-Vazquez confirmed that the decision to put the power lines underground must be made before the end of the 7-year timeline and confirmed that the preference is to underground the power lines for safety purposes.

Committee Member Patrick Kwok (Kwok) asked if the sale is in perpetuity. Ice confirmed that the sale includes 7 years of overhead rights, and underground rights in perpetuity thereafter.

Kwok asked if the \$1.2 million will be revenue back to the RWF or to the City. Ice confirmed that the revenue will go to the RWF.

Shannon made a comment noting that the West Valley Sanitation District is entitled to a fair market credit or payment for this use consistent with the master agreement. She noted that the memorandum does not provide a breakdown of the amount each tributary agency will receive.

Committee Member Carmen Montano (Montano) asked about the location of the power lines. Ice noted the location on the map included in the presentation.

Cohen asked a question regarding the breakdown of revenue given to each tributary agency. Environmental Services Director Jeffrey Provenzano (Provenzano) responded that, as noted in the memorandum, the funds will be deposited into the RWF Capital Fund and then distributed in accordance with RWF ownership agreements.

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, Kwok, Montano, Mulcahy)

Nays – 1 (Shannon)

Abstain – 0

Absent – 1 (Pineda)

C. Acceptance of the Report for the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program Update

Staff Recommendation:

Accept the status report on the Capital Improvement Program update for the San José-Santa Clara Regional Wastewater Facility.

This item will be considered by City Council on March 24, 2026.

There was a presentation by Chavez-Vazquez and ESD Deputy Director Kapil Verma (Verma).

Hardy asked a question regarding physical security and cybersecurity at the RWF. Chavez-Vazquez responded that there are multiple upcoming projects that will upgrade the physical security at RWF, and that there has been increased security at RWF in the past year. Chavez-Vazquez also noted that the RWF IT team has an increased cybersecurity protocol in place.

Hardy commented that she took a data center tour and was happy to hear that the reclaimed water quality is very high, which allows for less backwash at the data centers.

Hardy asked if there will be an incentive or a requirement for businesses to utilize the FOG program at the RWF. Chavez-Vazquez responded that the City of San José as well as the City of Santa Clara could propose a change in the municipal code to mandate use of the RWF FOG program. Chavez-Vazquez also noted that the fees and proximity would incentivize businesses to utilize this program.

Kwok raised a question regarding the funding, noting that the timing of peak spending has shifted within the timeline. Chavez-Vazquez noted that the figures provided in the presentation are not reflective of encumbrances. Chavez-Vazquez also noted that the tributary agencies have received a separate document that lays out their estimated fees over the coming years. Chavez-Vazquez also noted that the peak spending cost that Kwok is referring to is due to the updated permit, which the RWF is required to comply with by 2034. Kwok commented that he is happy to see that the Capital Improvement Program plan is on time and within budget.

Kwok asked a question regarding the nutrient removal program, and noted that despite the RWF's advanced nutrient removal, the RWF is still penalized for the presence of nutrients in the bay that is largely due to other agencies in the bay area. ESD Deputy Director Eric Dunlavey responded that the nutrient permit is a bay-wide permit, and that there is a bay-wide nutrient cap that applies to all agencies. Dunlavey noted that the original permit had a much lower threshold, and that the City was able to negotiate a higher limit on the permit.

Committee Member Albert Gonzalez commented that it is financially advantageous to complete these capital projects in a timely fashion. Chavez-Vazquez responded that the main restriction on the timeline of these projects is the amount of construction that the RWF can accommodate while remaining fully operational. Verma also noted that there are not many contractors that can complete these projects, and that the RWF has to compete with many other agencies for the desired contractors.

Shannon commented that West Valley Sanitation District remains concerned about the scale of the proposed CIP projects over the next 10 years, and the effect those projects will have on customer rates. She noted some discrepancies in the provided CIP budget forecasts. She stated that West Valley Sanitation District would like explanations for the increase in the CIP spending forecasts over the past year. Shannon stated that CIP projects are not authorized to be charged to the tributary agencies absent an amendment to the master agreements. Chavez-Vazquez commented that the forecast noted last year was not reflective of the present-day conditions of the RWF, and that was one of the reasons for providing this update. Chavez-Vazquez also noted that the updated budget will be presented at TPAC on May 28, 2026, and that the City is willing to review the budget with any of the tributary agencies if needed.

Chair Domingo Candelas commented that the RWF is vital, and that it is vital to complete improvement projects on areas that are at high risk of failure first. He also encouraged staff to continue seeking federal and state funding.

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, Kwok, Montano, Mulcahy)
Nays – 1 (Shannon)
Abstain – 0
Absent – 1 (Pineda)

6. OTHER BUSINESS/CORRESPONDENCE

6.A. Plant Capacity Report

7. STATUS OF ITEMS PREVIOUSLY RECOMMENDED FOR APPROVAL BY TPAC

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

- c) 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 was approved by City Council on January 13, 2026.

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 was approved by City Council on January 13, 2026.

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 was approved by City Council on January 13, 2026.

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 (12/12/25-2/28/26)

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 **April 9, 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 5:00p.m.

Domingo Candelas, Chair
TREATMENT PLANT ADVISORY COMMITTEE

DRAFT