


CITY COUNCIL ACTION REQUEST

Department(s): Public Works	CEQA: Not a Project, File No. PP17 003, Agreement/	Coordination: CAO, CMO-Budget Office, WVSD, and DOT	Dept. Approval: /s/ Matt Cano
Council District(s): Citywide	Contracts (New or Amended) resulting in no physical changes to the environment		CMO Approval:  5/12/2022

SUBJECT: AMENDMENT TO THE COST-SHARING AGREEMENT BETWEEN THE CITY OF SAN JOSE AND WEST VALLEY SANITATION DISTRICT (WVSD) FOR JOINT USE SANITARY SEWERS

RECOMMENDATION:

Approve the Second Amendment to the Cost-Sharing Agreement with WVSD, extending the term of the Agreement by three years, through June 30, 2025, for construction, operation, and maintenance of joint use sanitary sewers.

BASIS FOR RECOMMENDATION:

On June 25, 2002, City of San José (City) and WVSD entered into an agreement entitled “Cost-Sharing Agreement between City of San José and West Valley Sanitation District of Santa Clara County for Construction, Operation and Maintenance of Joint Use Sanitary Sewers.” The term of the Agreement was retroactive to July 1, 2000 through June 30, 2020.

A First Amendment to the Cost-Sharing Agreement with WVSD was executed on June 30, 2020, which extended the term of the agreement by two years, through June 30, 2022.

The City and WVSD have been actively discussing a new cost-sharing 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 the City and WVSD, and operations and maintenance responsibilities. However, these negotiations have taken longer than expected and they will not conclude before the expiration of the First Amendment to the Cost-Sharing Agreement. Therefore, a Second Amendment is being proposed to extend the term of the Agreement for an additional three years, until June 30, 2025. This extension will provide sufficient time for City staff to complete negotiations of the remaining terms of a new cost-sharing agreement with WVSD.

Climate Smart San José:

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

Commission Recommendation/Input:

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE:

Revenues are based on actual sewer capital improvements and will be reflected in future Sanitary Sewer System Capital Improvement Programs, Fund 545, under Sanitary Sewer Joint Participation Revenues.

FOR QUESTIONS CONTACT: Mathew Nguyen, Deputy Director of Public Works, (408) 535-8384