



April 5, 2018

NOTICE OF MEETING – REQUEST FOR RSVPS

Members of the Joint Recycled Water Policy Advisory Committee

Santa Clara Valley Water District:

Director Hon. Tony Estremera – Chair
Director Hon. Barbara Keegan
Director Hon. Gary Kremen

City of San José

Council Member, Sylvia Arenas
Council Member, Lan Diep
Ms. Kerrie Romanow – Alternate

City of Santa Clara:

Council Member Hon. Debi Davis
Council Member Hon. Kathy Watanabe - Alternate

Supporting Santa Clara Valley Water District Staff Members:

Norma J. Camacho, Chief Executive Officer
Stan Yamamoto, District Counsel
Anthony Fulcher, Senior Assistant District Counsel
Nina Hawk, Chief Operating Officer
Rick Callender, Chief of External Affairs
Darin Taylor, Chief Financial Officer
Garth Hall, Deputy Operating Officer, Water Supply Division
Katherine Oven, Deputy Operating Officer, Water Utility Capital
Christopher Hakes, Acting Deputy Operating Officer, Water Utility Operations & Maintenance
Rachael Gibson, Deputy Administrative Officer, Government Relations
Hossein Ashktorab, Unit Manager, Recycled and Purified Water
Jerry De La Piedra, Water Supply Planning & Conservation Manager
Medi Sinaki, Senior Engineer
Miguel Silva, Associate Engineer II
Luis Jaimes, Senior Project Manager
Elise Latedjou-Durand, Environmental Planner II
Toni Vye, Staff Analyst

Supporting City of San José Staff Members:

Jeffrey Provenzano, Deputy Director, Water Resources Division
Michele Young, Program Manager, South Bay Water Recycling

Supporting City of Santa Clara Staff Members:

Gary Welling, Assistant Director, Water & Sewer Utilities

A meeting of the Santa Clara Valley Water District Joint Recycled Water Policy Advisory Committee will take place at **10:00 a.m. on Thursday, April 19, 2018**, at the City of San Jose, City Manager's Conference Room #1734, 200 East Santa Clara Street, San Jose, California 95113.

Enclosed for your convenience is a copy of the agenda and corresponding materials. Please bring these materials to the meeting with you.

Please RSVP at your earliest convenience by calling Glenna Brambill at 1-408-630-2408, or by email to gbrambill@valleywater.org.

Thank you!

Glenna Brambill
Management Analyst II
Santa Clara Valley Water District
Office of the Clerk of the Board
1-408-630-2408

JOINT RECYCLED WATER POLICY ADVISORY COMMITTEE MEETING
April 19, 2018
San Jose City Hall
Public Transit and Parking Information

PARKING:

City Hall Garage (located beneath City Hall)
200 E. Santa Clara Street and 6th Street
(Entrance located on 6th Street between E. Santa Clara and E. San Fernando)

PARKING VALIDATION:

Please bring your parking ticket with you to the meeting to obtain validation after the meeting adjourns.

GETTING TO CITY HALL:

VTA Service - Bus and Light Rail:

For more information and schedules call (408) 321-2300 or visit [Santa Clara Valley Transportation Authority](http://www.vta.org)

- Light rail service is available to Santa Clara and First / Second Streets
- Bus Lines
 - 22
 - 63
 - 64
 - 65
 - 73
 - 81
 - 522
 - Highway 17
- Dash Shuttle

Driving Directions

Directions from Highway 87 North:

1. Take the Santa Clara Street/Julian Street Exit
2. Exit Santa Clara Street/Downtown San José
3. At the light, turn right onto Santa Clara Street
4. heading east
5. Turn right on 6th Street (Look for the parking garage entrance on the right- hand side)

Directions from Highway 87 South:

1. Take the Julian Street/St. James Street Exit
2. At the light, turn left onto Julian Street
3. Julian Street becomes East St. James Street
4. Turn right on 6th Street
5. Once you pass Santa Clara Street look for the parking garage entrance on the right-hand side

Directions from Highway 680 South/280 North and 280 South:

1. Take Highway 87 North
2. Exit Santa Clara Street/Downtown San José
3. At the light, turn right onto Santa Clara Street heading east
4. Turn right on 6th Street
5. Look for the parking garage entrance on the right-hand side

Directions from Highway 101 South:

1. Take Highway 87 South
2. Exit Julian Street/St. James Street
3. At the light, turn left onto Julian Street
4. Julian Street becomes East St. James Street
5. Turn right on 6th Street
6. Once you pass Santa Clara Street, look for the parking garage entrance on the right-hand side

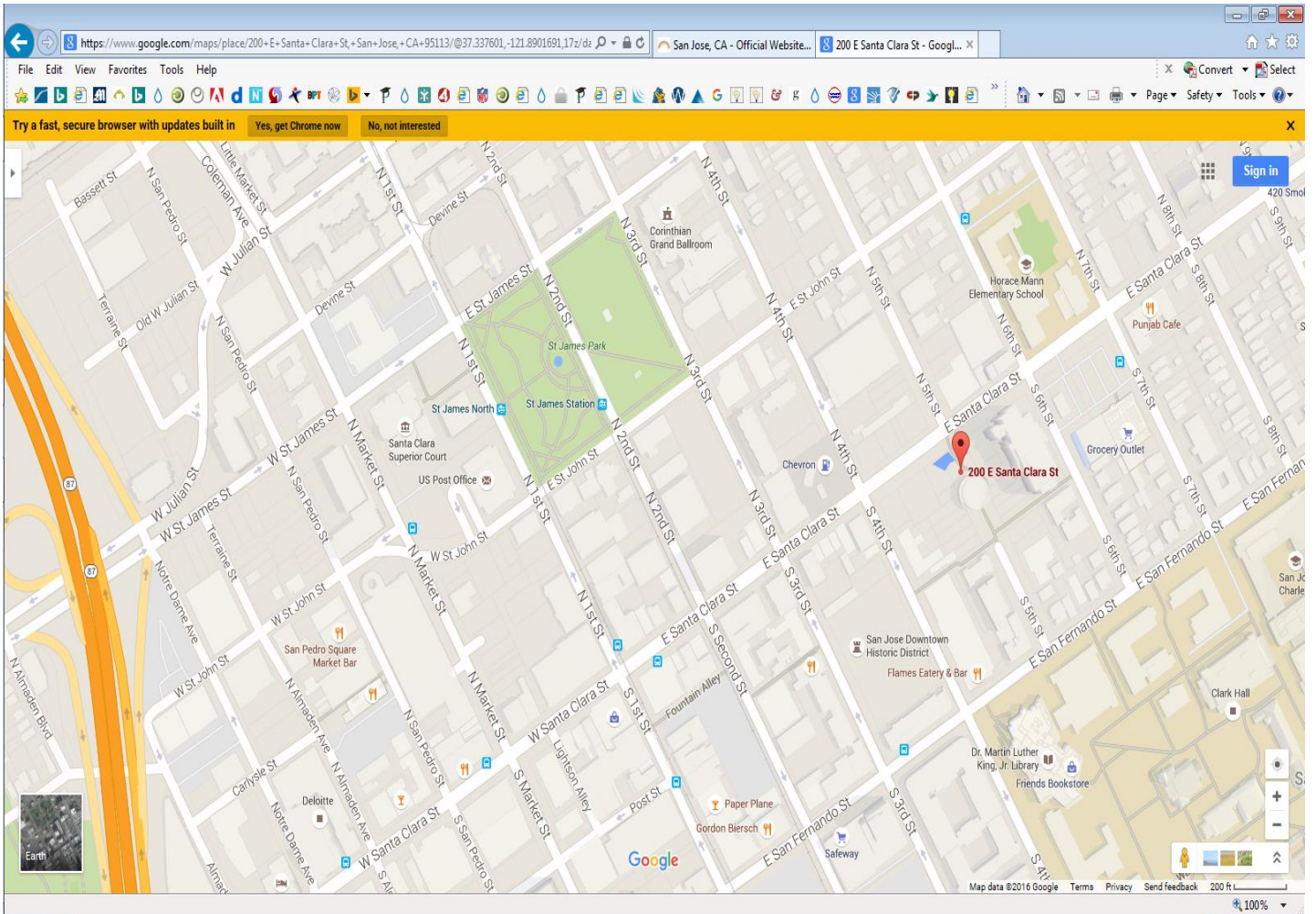
Directions from Highway 101 North:

1. Take Highway 280 North
2. Take Highway 87 North
3. Exit Santa Clara Street/Downtown San José
4. At the light, turn right onto Santa Clara Street east east
5. Turn right on 6th Street then look for the parking garage entrance on the right-hand side

Directions from Highway 880/17:

1. Take Highway 280 South
2. Take Highway 87 North
3. Exit Santa Clara Street/Downtown San José
4. At the light, turn right onto Santa Clara Street heading east
5. Turn right on 6th Street then look for the parking garage entrance on the right-hand side

Map of surrounding area:





JOINT RECYCLED WATER POLICY ADVISORY COMMITTEE

Hon. Tony Estremera, *Board Member, Santa Clara Valley Water District*
Hon. Barbara Keegan, *Board Member, Santa Clara Valley Water District*
Hon. Gary Kremen, *Board Member, Santa Clara Valley Water District*
Hon. Sylvia Arenas, *Council Member, City of San José*
Hon. Lan Diep, *Council Member, City of San José*
Hon. Debi Davis, *Council Member, City of Santa Clara*

Agenda

**JOINT RECYCLED WATER POLICY ADVISORY COMMITTEE
CITY OF SAN JOSÉ/SCVWD/CITY OF SANTA CLARA-TPAC**

THURSDAY, April 19, 2018

10:00 a.m. - 12:00 p.m.

City of San José
San José City Hall, Room 1734
200 East Santa Clara Street
San José, CA 95113

Time Certain:

10:00 a.m.

- 1. Call to Order/Roll Call**

- 2. Time Open for Public Comment on Any Item Not on the Agenda**
Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.

- 3. Approval of Minutes**
3.1 Approval of Minutes – April 20, 2017, meeting minutes.

- 4. Action Items**
 - 4.1 Update on Countywide Water Reuse (Recycled and Purified Water) Master Plan (Luis Jaimes)**
Recommendation: Receive information, discuss policy issues, and discuss next steps.

 - 4.2 Update on Reverse Osmosis Concentrate Management Project (Medi Sinaki)**
Recommendation: Receive information, discuss policy issues, and discuss next steps.

 - 4.3 Memorandum of Understanding between City of San José and Santa Clara Valley Water District (Hossein Ashktorab/Jeff Provenzano)**
Recommendation: Receive information and provide guidance to staff.

4.4 Review of the proposed budgets FY 18-19 for SVAWPC and SBWR
(Chris Hakes/ Jeff Provenzano)

Recommendation: That the Joint Recycled Water Policy Advisory Committee make recommendations to the Board of Directors of the Santa Clara Valley Water District and the City Council of the City of San José on their respective proposed budgets for the ensuing fiscal year for the maintenance, expansion, replacement, improvement, and operation of the South Bay Water Recycling system and the Silicon Valley Advanced Water Purification Center (Article 3.G.3 of Integration Agreement).

5. Review Committee Workplan and Meeting Schedule

6. Clerk Review and Clarification of Committee Requests and Recommendations

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during discussion of Item 4.

7. Adjourn. Adjourn to next regularly scheduled meeting at 10:00 A.M., April 18, 2019, at the Santa Clara Valley Water District, Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, CA 95118

REASONABLE EFFORTS TO ACCOMMODATE PERSONS WITH DISABILITIES WISHING TO ATTEND COMMITTEE MEETINGS WILL BE MADE. PLEASE ADVISE THE CLERK OF THE BOARD'S OFFICE OF ANY SPECIAL NEEDS BY CALLING (408) 630-2277.

Meetings of this committee will be conducted in compliance with all Brown Act requirements. All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the same time that the public records are distributed or made available to the legislative body, at the following locations:

Santa Clara Valley Water District
Clerk of the Board
5700 Almaden Expressway
San José, CA 95118

City of San José
200 East Santa Clara Street
San José, CA 95113

City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Joint RWPAC Purpose: The Purpose of the Joint RWPAC is to enter its advice to the District's Board of Directors and the City Council of San José with respect to policy matters relating to the production, distribution and use of recycled water from facilities under administration by these agencies.

JOINT RECYCLED WATER POLICY ADVISORY COMMITTEE CITY OF SAN JOSÉ/SCVWD/CITY OF SANTA CLARA-TPAC

DRAFT MINUTES

THURSDAY, APRIL 20, 2017
10:00 AM

(Paragraph numbers coincide with agenda item numbers)

A regularly scheduled meeting of the Joint Recycled Water Policy Advisory Committee City of San José/SCVWD/City of Santa Clara-TPAC was held on April 20, 2017, in the Headquarters Boardroom at the Santa Clara Valley Water District Headquarters, 5700 Almaden Expressway, San Jose, California.

1. **CALL TO ORDER/ROLL CALL**

Chair Director Tony Estremera called the meeting to order at 10:13 a.m.

Board members in attendance were: Director Tony Estremera, District 6, Director Barbara Keegan, District 2, and Director Gary Kremen, District 7.

City of San José members in attendance: Council Member Sylvia Arenas and Ms. Kerrie Romanow, Alternate.

City of Santa Clara members in attendance: Council Member Debi Davis and Council Member Kathy Watanabe, Alternate.

SCVWD Staff members in attendance were: Hossein Ashktorab, Glenna Brambill, Rick Callender, Norma Camacho, Angela Cheung, Phillippe Daniel, Anthony Fulcher, Garth Hall, Luis Jaimes, Tony Mercado, Elise Latedjou-Durand, Katherine Oven, Luisa Sangines, Charlene Sun, and Darin Taylor.

City of San José Staff members in attendance were: Chantel Khatchatourian, Jeffrey Provenzano, Rosa Tsongtaatarii, and Michele Young,

City of Santa Clara Staff Members in attendance were: Alan Kurotori and Gary Welling

2. **TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA**

There was no one present who wished to speak.

3. APPROVAL OF MINUTES

3.1 Approval of Minutes

It was moved by Director Barbara Keegan, seconded by Director Gary Kremen, and unanimously carried, to approve the minutes of the May 19, 2016, Joint Recycled Water Policy Advisory Committee City of San José/SCVWD/City of Santa Clara-TPAC meeting, as presented.

4. ACTION ITEMS

4.1 ELECT COMMITTEE CHAIR FOR 2017

It was moved by Director Gary Kremen, seconded by Director Barbara Keegan, and unanimously carried, to elect Director Tony Estremera as Committee Chair for 2017.

4.2 DISCUSS ROLES AND RESPONSIBILITIES OF THE JOINT RECYCLED WATER POLICY ADVISORY COMMITTEE

Mr. Garth Hall reviewed the materials as outlined in the agenda item.

Council Member Sylvia Arenas was introduced as the newest member of the Committee.

No action was taken.

4.3 PROPOSED OPERATION AND MAINTENANCE BUDGETS FY 17-18

A. SILICON VALLEY ADVANCED WATER PURIFICATION CENTER BUDGET

Ms. Angela Cheung reviewed the materials as outlined in the agenda item.

B. SOUTH BAY WATER RECYCLING BUDGET

Ms. Kerrie Romanow and Mr. Jeffrey Provenzano reviewed the materials as outlined in the agenda item.

Director Keegan was concerned that the two agencies' budgets varied with terminologies, methodologies, and in different formats and does it align with the Integration Agreement. Staff will need to do an analysis and respond back to the Committee.

Ms. Romanow noted there is a third-party auditor that reviews both budgets contractually and suggested to have the scope of work include that the auditor reviews both budgets in a way to reflect an "apples to apples comparison".

Chair Estremera was concerned about the aging of the system's structure and are both agencies reviewing these issues and making sure costs and other issues are discussed jointly.

Committee action:

It was moved by Director Barbara Keegan, seconded by Council Member Debi Davis, and unanimously carried, to recommend that their respective agencies' Board of Directors and City Council, approve the Silicon Valley Advanced Water Purification Center Budget and South Bay Water Recycling Budget as presented.

4.4 RECEIVE INFORMATION REGARDING THE CITY OF SAN JOSÉ/CITY OF SANTA CLARA/SCVWD ONGOING COLLABORATION ON NON-POTABLE AND POTABLE REUSE EFFORTS

Ms. Katherine Oven and Mr. Jeffrey Provenzano reviewed the materials as outlined in the agenda item.

Ms. Kerrie Romanow was available to answer questions.

Director Barbara Keegan asked about non-potable and potable reuse efforts and whether the Santa Clara Valley Water Commission should be apprised of this topic. Ms. Norma Camacho and Ms. Kerrie Romanow will discuss and advise the Committee.

No action was taken.

5. REVIEW COMMITTEE WORKPLAN AND MEETING SCHEDULE

Mr. Garth Hall reviewed the materials as outlined in the agenda item.

Discussed next meeting April 19, 2018, 10:00 a.m. Committee Members agreed to meet every six months. The next meeting was scheduled tentatively for October 19, 2017, 10:00 a.m., at the Water District and could be subject to change.

Action items for next agenda:

- Available Property/Land Use, Zoning, Storage Capacity (expanded purified water treatment facilities)
- Update on the Countywide Recycled and Purified Water Master Plan
Suggest doing a parcel by parcel review
- Economic Development
- City of Santa Clara's Recycled Water/Purple Piping issues
- Update on the RO Concentrate Study
- Auditor's Outcome/Staff Analysis of Budgets
- Outcome of non-potable and potable reuse efforts being placed on the Santa Clara Valley Water Commission's agenda to discuss

6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS AND RECOMMENDATIONS.

Ms. Glenna Brambill reported there was one action item for the Board's consideration.

Committee Action/Agenda 4.3 A/B:

The Committee unanimously agreed to recommend that their respective agencies' Board of Directors and City Council, approve the Silicon Valley Advanced Water Purification Center Budget and South Bay Water Recycling Budget as presented.

Staff Action/Agenda 4.3 A/B:

Staff will need to conduct an analysis to see if the Silicon Valley Advanced Water Purification Center Budget and South Bay Water Recycling Budget are in alignment with the Integration Agreement. Also, to see if the auditor's scope of work will ensure to reflect a fair comparison of 'apples to apples' with both agencies' budgets. The response will be shared back with the Committee.

Staff Action/Agenda 4.4:

Ms. Camacho and Ms. Romanow will discuss whether non-potable and potable reuse efforts should be placed on the Santa Clara Valley Water Commission's agenda to discuss.

7. ADJOURN

Chair Estremera adjourned the meeting at 11:08 a.m., to the next scheduled meeting on Thursday, October 19, 2017, at 10:00 a.m., in the Santa Clara Valley Water District Headquarters Boardroom.

Glenna Brambill
Committee Liaison
Office of the Clerk of the Board

Approved:



Committee: Joint Recycled Water Policy Advisory
Meeting Date: 04/19/18
Agenda Item No.: 4.1
Unclassified Manager: Garth Hall
Email: ghall@valleywater.org
Est. Staff Time: 10 minutes

COMMITTEE AGENDA MEMO

SUBJECT: Update on Countywide Water Reuse (Recycled and Purified Water) Master Plan

RECOMMENDED ACTION:

Receive information, discuss policy issues, and discuss next steps.

SUMMARY:

The District is in the process of developing a comprehensive Countywide Water Reuse Master Plan (Countywide Master Plan) to facilitate the integration and expansion of recycled water as well as the development of purified water systems in Santa Clara County. It will guide the strategic investment of public funds on recycled and purified water projects over the next 20 years as a local, reliable, environmentally adaptive, and drought-proof water supply.

The Countywide Master Plan will identify how much water will be available for potential potable reuse and non-potable reuse expansion, system integration options, recommendations for potable reuse projects and building upon non-potable reuse projects, and recommendations for governance model alternatives. Development of the Countywide Master Plan includes an extensive stakeholder outreach component including recycled water producers, wholesalers, retailers, users, environmental and non-governmental organizations, business interests, regulatory agencies, community groups, and other opinion leaders.

The Countywide Master Plan will address various policy issues, including consideration of the appropriate balance between advancing recycled water and purified water in the County.

In calendar year 2018, the project team will be developing various work products which staff estimates will result in a draft master plan by December 2018. These include baseline/gap analysis, hydraulic modeling, and development of conceptual alternatives, and rating criteria. These activities will be guided by feedback received from the stakeholder engagement process. Completion of the final master plan is planned for July 2019.

ATTACHMENT(S):

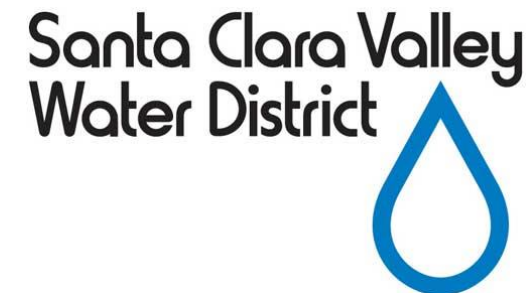
Attachment 1: PowerPoint Presentation

JOINT RECYCLED WATER POLICY ADVISORY COMMITTEE

Hon. Tony Estremera, *Board Member, Santa Clara Valley Water District*
Hon. Barbara Keegan, *Board Member, Santa Clara Valley Water District*
Hon. Gary Kremen, *Board Member, Santa Clara Valley Water District*
Hon. Sylvia Arenas, *Council Member, City of San José*
Hon. Lan Diep, *Council Member, City of San José*
Hon. Debi Davis, *Council Member, City of Santa Clara*

Joint Recycled Water Policy Advisory Committee

Thursday, April 19, 2018



4.1 Update on Countywide Water Reuse (Recycled and Purified Water) Master Plan

Countywide Water Reuse Master Plan (CWRMP)

Project Objectives

- Identify Sources and Amounts of Water Available for Reuse
- Determine NPR & PR Split
- Evaluate Governance Roles & Responsibilities and Provide Recommendations
- Evaluate Potential Regional Inter-Connectivity
- Evaluate Potential for New Infrastructure

NPR = Non-Potable Reuse

PR = Potable Reuse

CWRMP Framework

**Water Quality
& Quantity**

**Infrastructure,
Assets, & Land**

**Environmental,
Permitting, Regulations, &
RO Conc. Mgmt.**

Public Perception

**Schedule & Coordination with other
Planning Efforts**

Governance

**Regional Planning
& Integration**

**Water Treatment &
Contributing Sewersheds**

**Economics
& Funding**

**Stakeholder
Engagement**

CWRMP Stakeholder Engagement

- RW Producers
- RW Users
- Retailers
- Environmental Interests
- Business Interests
- Regulatory Agencies
- Board RW Committees
- Community Groups
- Independent Advisory Panel
- Other Interested Parties



Inter-agency Efforts for Purified Water

- Participation in stakeholder workshops and meetings
- SVAWPC and RWF operations coordination
- Policy goals for developing recycled and purified water





Committee: Joint Recycled Water Policy Advisory
Meeting Date: 04/19/18
Agenda Item No.: 4.2
Unclassified Manager: Garth Hall
Email: ghall@valleywater.org
Est. Staff Time: 10 minutes

COMMITTEE AGENDA MEMO

SUBJECT: Update on Reverse Osmosis Concentrate Management Project

RECOMMENDED ACTION:

Receive information, discuss policy issues, and discuss next steps.

SUMMARY:

The overall objective of the Reverse Osmosis Concentrate Management (ROCM) Project is to evaluate viable alternatives for managing reverse osmosis concentrate (ROC) generated from advanced water purification facilities (AWPFs) to be potentially built throughout the County (e.g., San José, Sunnyvale, Palo Alto, Gilroy, and Morgan Hill). The project includes studies of Engineered Treatment Cells (ETC) in collaboration with University of California at Berkeley, Stanford University and San Francisco Estuary Institute. This project is critical because it will address one of the key challenges in potable water reuse: proper management of the concentrated stream with high salt content generated by the process of water purification using advanced technologies. ROCM with discharge to the South San Francisco Bay--which is a sensitive ecosystem--is a new field with few case studies to draw information from, compared to ROCM with ocean discharge.

On October 17, 2017, the District hosted a stakeholder ROC Management Project workshop (Workshop No. 2) titled *Initial Screening and Multi-Criteria Analysis (MCA) Shortlisting of ROC Management Options*. At Workshop No. 2, the participants reviewed 120 possible ROC management options, assessed 588 unique evaluations using MCA, and supported shortlisting to 17 recommended options for further examination.

In November 2017, District Staff with consultant support and representatives from the City of San José met with staff from Regional Water Quality Control Board (RWQCB) and EPA at the RWQCB offices in Oakland to discuss the ROC Management project. The purpose of the meeting was to obtain EPA and RWQCB feedback regarding the evaluation of short-listed ROC management options for the South Bay dischargers; discuss the feasibility and timing of permitting for ROC management alternatives; coordinate with 2019 South Bay discharger permit development and adoption; and discuss applicability of treatment wetlands for ROC management.

Next steps include individual agency discussions with county recycled water producers on ROC management options as presented at the ROCM Workshop No. 2. The District will also conduct two additional workshops (No. 3 and No. 4) to present the results of collaborative studies with the University of California at Berkeley and Stanford University on the economic and technical feasibility of ROC treatment by ETC, as well as a final project report with detailed alternatives review and preferred management options per site. Noteworthy project deliverables will include a preliminary draft final report in December 2018, a pilot engineered-treatment system draft technical memorandum and feasible alternatives report in August 2019; and a final ROC management plan report in December 2019.

ATTACHMENT(S):

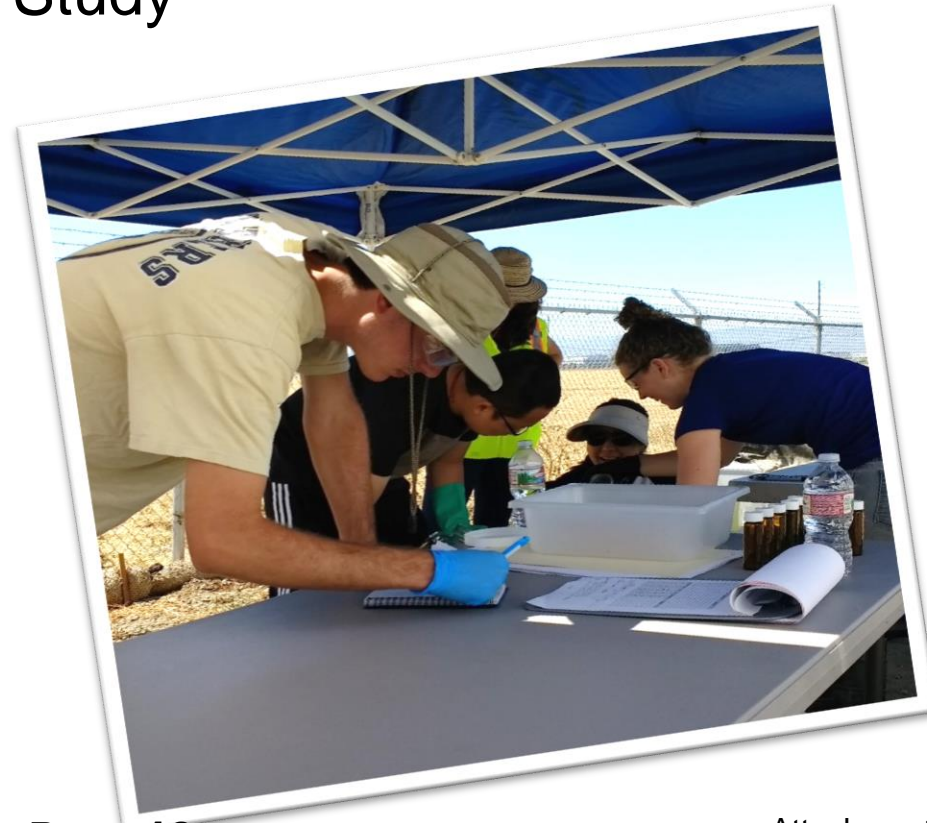
Attachment 1: PowerPoint Presentation

4.2 Update on Reverse Osmosis Concentrate Management Project

RO Concentrate Management Project (ROCMP)

Evaluate viable alternatives for managing ROC

1. ROC management evaluation
2. Engineered Treatment Cell Pilot Study



ROCMP Achievements to Date

- Two stakeholder workshops
- Meeting with regulators
- Narrowed 120 options to 17 recommended



ROCMP Next Steps

- Additional workshops
- Continued pilot study with Berkeley, Stanford, and SFEI
- Interim technical reports (draft November 2018)
- Final project report (expected December 2019)





Committee:	Joint Recycled Water Policy Advisory
Meeting Date:	04/19/18
Agenda Item No.:	4.3
Unclassified Manager:	Garth Hall
Email:	ghall@valleywater.org
Est. Staff Time:	10 minutes

COMMITTEE AGENDA MEMO

SUBJECT: Memorandum of Understanding between City of San José and Santa Clara Valley Water District

RECOMMENDED ACTION:

Receive information and provide guidance to staff.

SUMMARY:

District and City of San José staff have been developing a memorandum of understanding for potential purified water expansion.

ATTACHMENT(S):

None.



Committee: Joint Recycled Water Policy Advisory
Meeting Date: 04/19/18
Agenda Item No.: 4.4
Unclassified Manager: Chris Hakes
Email: chakes@valleywater.org
Est. Staff Time: 10 minutes

COMMITTEE AGENDA MEMO

SUBJECT: Review of the proposed budgets FY 18-19 for SVAWPC and SBWR

RECOMMENDED ACTION:

That the Joint Recycled Water Policy Advisory Committee make recommendations to the Board of Directors of the Santa Clara Valley Water District and the City Council of the City of San José on their respective proposed budgets for the ensuing fiscal year for the maintenance, expansion, replacement, improvement, and operation of the South Bay Water Recycling system and the Silicon Valley Advanced Water Purification Center (Article 3.G.3 of Integration Agreement).

SUMMARY:

On March 2, 2010, the *Recycled Water Facilities and Programs Integration Agreement* (Integration Agreement) was executed between the City of San José and the District. This Agreement outlines the terms of the operational support payments upon commencement of operation of the Silicon Valley Advanced Water Purification Center (SVAWPC) as well as the policy considerations for the recycled water produced and blended with the purified water from the distributed by the City of San José via the South Bay Water Recycling system (SBWR) and purified water produced by the SVAWPC. The Integration Agreement also specifically requires that on an annual basis, before May 1 of each year, that the parties review the budgets of SBWR and SVAWPC and make recommendations to the Board of Directors of the Santa Clara Valley Water District and the City Council of the City of San José on their respective proposed budgets for the ensuing fiscal year for the maintenance, expansion, replacement, improvement, and operation of the SBWR and the SVAWPC (Article 3.G.3 of Integration Agreement).

The proposed fiscal year 18-19 budget for SBWR is \$10,758,381 and for the SVAWPC is \$3,994,679.

ATTACHMENT(S):

Attachment 1: PowerPoint Presentation

4.4 Review of the Proposed Budgets FY 18-19 for SVAWPC and SBWR

SVAWPC Budget (FY17-19)

Description	FY17 Actual ¹	FY18 Adopted	FY19 Proposed
Energy	\$458,404	\$629,000	\$629,000
Chemicals	\$355,425	\$400,000	\$400,000
Labor	\$1,768,644	\$2,390,652	\$2,236,179
Other Operation & Maintenance (O&M) Services & Supplies	\$608,019	\$744,000	\$729,500
Budgeted sinking fund for RO and MF membrane replacement ²	0	0	0
O&M Cost	\$3,190,492	\$4,163,652	\$3,994,679

¹These are financial audited numbers for FY17.

²Since FY17, sinking fund amounts have not been included in the budget. Funds for future RO, MF membrane and UV Lamps replacement will be budgeted in the year that requires these funds.

SBWR Budget (FY19)

INTEGRATION AGREEMENT CATEGORIZATION OF NET OPERATING COST AND REVENUE

Description	Actuals FY16-17	Adopted FY17-18 Budget	Proposed FY18-19 Budget
Program Administration, Permitting and Compliance	\$ 5,529,036	\$ 3,061,746	\$ 3,378,006
System Operations and Maintenance	\$ 2,093,623	\$ 6,193,710	\$ 6,328,375
Capital Planning and Engineering (Studies)	\$ 102,827	\$ 286,582	\$ 287,000
Communication and Outreach	\$ 15,597	\$ 15,000	\$ 15,000
City of San José Overhead and Capitated Services	\$ 621,774	\$ 635,000	\$ 750,000
TOTAL SBWR Operating Expenses	\$ 8,362,857	\$ 10,192,038	\$ 10,758,381
SBWR Wholesale Recycled Water Sales	\$ 9,661,069	\$ 11,097,674	\$ 12,592,940
City Net Operating Cost: (Savings)	\$ (1,298,212)	\$ (905,636)	\$ (1,834,559)
City Net Operating Revenue	\$ 1,298,212	\$ 905,636	\$ 1,834,559