

# THE ROSE GARDEN LIBRARY CLOSES AT 7:00PM

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If you are parked in the library's garage,  
PLEASE MOVE YOUR CAR TO THE STREET,  
right away, so your car doesn't get locked in the  
garage until the library opens in the morning.



# BURBANK SANITARY DISTRICT

## PUBLIC OUTREACH MEETING

*Tuesday, July 18, 2017*

**7:00 p.m. to 9:00 p.m.**  
**Rose Garden Branch Library**  
**Community Room**



# BURBANK SANITARY DISTRICT

- Burbank Sanitary District (BSD) was formed in 1940
- The District serves an unincorporated pocket within City of San Jose mainly from Forest Avenue south to Parkmoor Avenue and from Bascom Avenue east to Richmond Avenue
- BSD serves approximately 1,000 properties with a population of 4,926
- The flow is conveyed to the San Jose/Santa Clara Water Pollution Control Plant (approximately 10 miles away)





# BSD: Who We Are

- *All Board members are subject to the same rate increases as all other residents*
- *Board members are elected to 4-year terms*
- *Directors must live in the Burbank Sanitary District*
- *BSD Staff is contracted*

## **BSD Board of Directors**

Rebecca Yoder – President

Ken Colson – Secretary

Michelle Kaelker-Boor – Director

Keri Russo – Director

Rene Prupes – Director

## **BSD Staff (Mark Thomas & Co.)**

Richard Tanaka – District Mgr/Engineer

Benjamin Porter – Deputy Dist. Mgr/Engr

## **BSD Counsel (Meyers Nave)**

Jennifer Faught



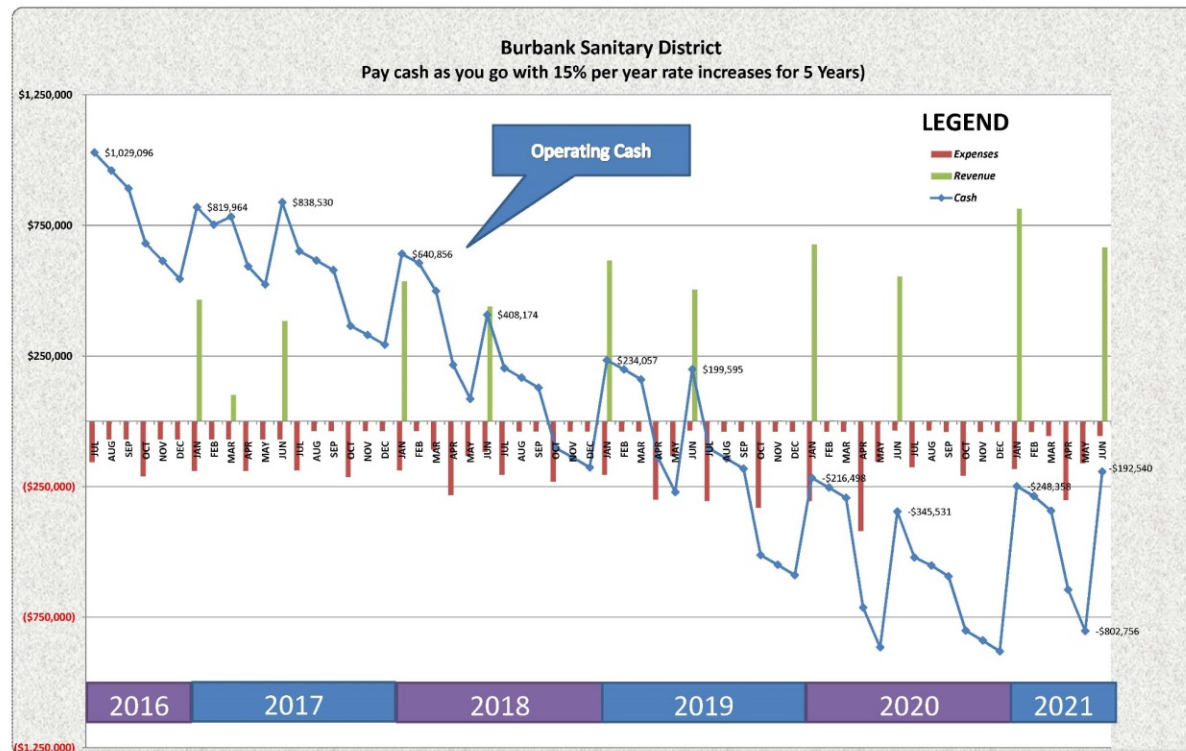
# Why Are We Here?

- 2015 Rate Increase Updates
  - 15% annual rate increase for five years
  - Projected budget shortfall without financing
- District CIP Accomplishments over the past 2 years
  - Preliminary engineering
  - Environmental clearance project approval report
  - First year CIP
  - Funding
    - Applied for grant funding
    - Loan Process
- Transparency
- San Jose Regional Wastewater Facilities



# 2015 Rate Increase

- Board Approved:
  - 15% annual rate increase (5 years)
- Projected Budget shortfall:
  - Cash Pay-as-you-go assumed





# District Capital Projects Timeline

ITEM	COMPLETED
Condition Assessment completed <i>(for initial 10-year CIP strategy)</i>	July 2014
Preliminary Engineering including: <ul style="list-style-type: none"><li>• Additional study and investigations</li><li>• Field inspections</li></ul>	Spring 2015
District adopted 10-year CIP Program	Fall 2015
First year CIP completed	2016
Funding Grant Application	2016
Residential Income Survey	December 2016
Loan Application	2017





# 2016 First Year CIP

## Arleta & Irving Avenues Completed

- Contractor: Cratus, Inc.
- Cost: \$275,150
- 20 spot repairs
- 47 laterals were CCTVed
- 11 laterals were repaired and 13 property line cleanouts were installed







# Updated District 10-Year Capital Improvement Projects Plan

YEAR	ZONE	LOCATON	DESCRIPTION	COST
2016	B	Arleta Ave / Irving Ave	20 Spot repairs	\$275,150
2017	B	Brooklyn Ave & Leland Ave	27 Spot repairs	\$430,000
2018*	A/B	All Streets (Including Scott St)	Pipe Bursting/ Replacement	\$1,575,000
2019	B	Boston / Bailey	15 Spot repairs	\$246,000
2020	B	Cleveland	4 Spot repairs + Replacement	\$285,000
2021	B	Laswell Ave / Richmond Ave	20 Spot repairs	\$166,000
2022	B	Rutland / Vaughn	12 Spot repairs	\$174,000
2023	B	Bascom / Wabash / Leigh	11 Spot repairs	\$137,000
2024	B	Cecil / Clifton / Raymond	9 Spot repairs	\$141,000
2025	B	Forest / Arleta	3 Spot repairs	\$51,000

**Total Cost = \$3,480,150**

**\*Year 3: If SRF Loan secured, entire 10 year CIP will be completed**



# Funding – Grant & SRF Loan Process Completed to Date

- Applied for *grant* funding from the State
  - **Sept. 2016:** Based on Census Data, BSD determined not eligible for grant funds due to median household income
- Hired consultant to facilitate funding
- Circulated a Residential Income Survey to demonstrate the District as disadvantaged
  - **Nov. 2016:** Surveys were sent out to verify median household income
  - **Dec. 2016:** Only 13% of surveys were returned; BSD Directors and staff went door-to-door to encourage residents to complete surveys
  - **Jan. 2017:** Household Income Survey Report determined BSD is not considered a Small Disadvantaged Community to qualify for grant.
    - Potential sampling bias of more affluent residents
- Continued pursuit of securing a *loan* from the State Water Board
  - **Dec. 2016:** Loan package was submitted



# Funding – Grant & SRF Loan

## What's Next?

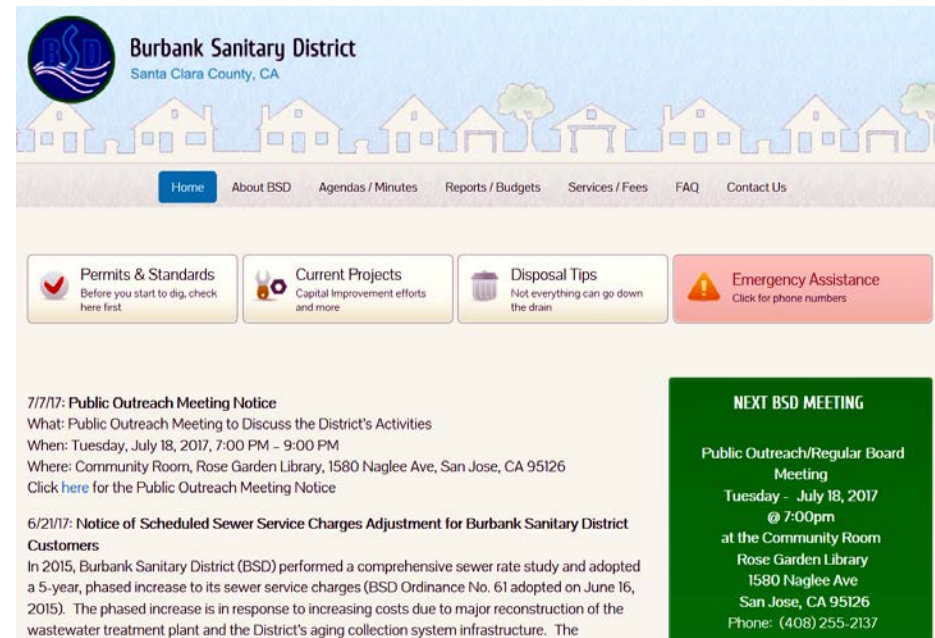
- State expected to complete loan process **August 2017**
- SRF Program is now under-funded; award of loan dependent on State's budget and bond issuance
- Wait for State funding through **March 2018**
- If funded, the entire 10-Year CIP will begin construction in **Summer of 2018**
- If no funding, BSD Board will decide either to defer or proceed with Year 2 CIP



# Transparency

We strive for openness, communication, and accountability.

- BSD was awarded the District Transparency Certificate of Excellence from California Special District Leadership Foundation
  - Training/Ethics Compliance
  - Public Records Act Request
  - Policies on reimbursement, annual disclosure and audit
  - Best Practices and Public Outreach
- Improved our website, visit ([www.burbanksanitary.org](http://www.burbanksanitary.org))





# San Jose-Santa Clara Regional Wastewater Treatment Facility

- What it is
- Who uses it
- Who owns and manages it
- TPAC
- Plant Master Plan (\$1.4 billion in improvements)





# San Jose-Santa Clara Regional Wastewater Treatment Facility

- The San Jose-Santa Clara Regional Wastewater Treatment Facility (Plant) is where all of our wastewater goes to be processed.
- This facility treats an average of 110 million gallons of wastewater per day (MGD), with a capacity of 167 MGD.
- It is the largest facility in the Western U.S., and serves approximately 1.4 million residents and 17,000 business-related sewer connections in an 8-city area.

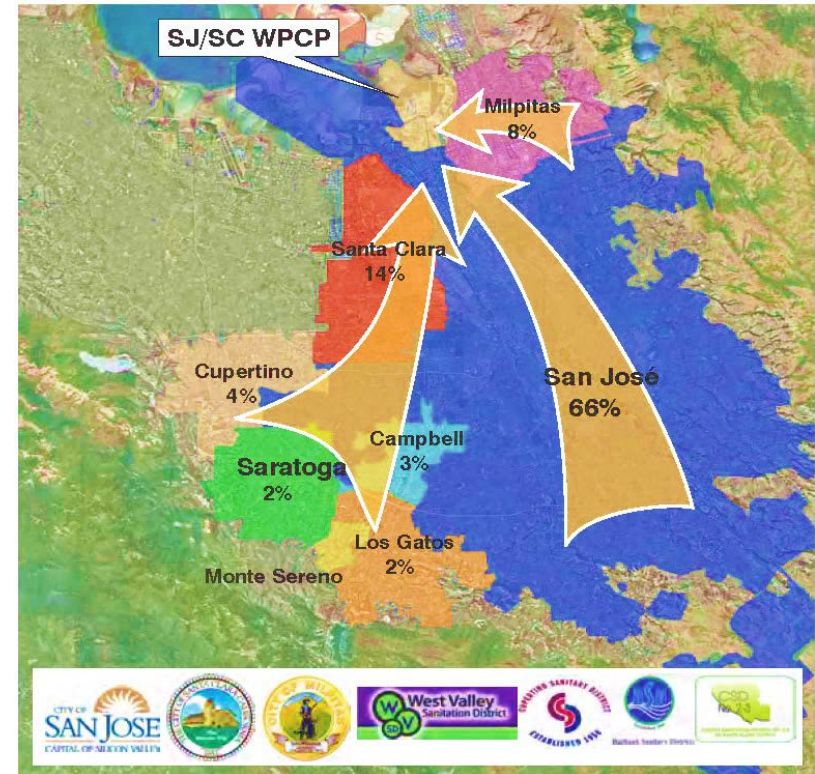






# Who Uses the Plant?

- Cities of **San Jose, Santa Clara, and Milpitas\***
- **Cupertino Sanitary District\***  
(Cupertino, Saratoga, Los Altos, Sunnyvale and unincorporated areas adjacent to Saratoga and Cupertino)
- **West Valley Sanitation District\***  
(Campbell, Los Gatos, Monte Sereno, and Saratoga)
- **County Sanitation District 2-3\*** and **Burbank Sanitary District\***  
(both unincorporated)



\* Also known as Tributary Agencies



# Who Owns / Manages the Plant?

- The Wastewater Treatment Facility is jointly owned by:
  - City of San Jose (*administering agency*)
  - City of Santa Clara
  
- Plant activities and financial decisions are managed by:
  - San Jose's Environmental Services Department
  - San Jose and Santa Clara City Councils
  - TAC (*Technical Advisory Committee*)
  - TPAC (*Treatment Plant Advisory Committee*)



# Who is on TPAC 2017?

- Sam Liccardo (*Mayor, City of San Jose*)
- David Sykes (*Interim Asst. Manager, City of San Jose*)
- Lan Diep (*Council Member, City of San Jose*)
- Debi Davis (*Council Member, City of Santa Clara*)
- Pat Kolstad (*Council Member, City of Santa Clara*)
- Marsha Grilli (*Vice Mayor, City of Milpitas*)\*
- John Gatto (*Cupertino SD Board of Directors*)\*
- Steven Leonardis (*West Valley SD Board of Directors*)\*

*\*Tributary Agencies*

Burbank Sanitary District is not represented at the TPAC.  
We want our District to be represented at the TPAC.



# Cost Breakdown of 10-Year Capital Improvement Plan

Tributary Discharger	%	Cost Share of \$1,400,000,000
City of San Jose	67.97%	\$900,695,799
City of Santa Clara	13.81%	\$183,059,652
City of Milpitas	6.93%	\$91,766,653
West Valley Sanitation District	6.34%	\$83,972,222
Cupertino Sanitary District	4.13%	\$54,774,057
County Sanitation District 2-3	0.58%	\$7,684,726
<b>Burbank Sanitary District</b>	<b>0.24%</b>	<b>\$3,157,523</b>

We want to pay our fair share, but the program needs to be transparent, affordable, and reasonable.



# Plant Improvement Timeline to Date

- January 25, 2016: Tributary Agencies filed administrative claim one; reviewed by TPAC on March 24, 2016 with rejection of Tributary Agencies' claim
- September 7, 2016: Tributary Agencies filed administrative claim two. City and Tributary Agencies agreed to mediate.
- September 14, 2016: First mediation
- October 6, 2016: Second mediation
- December 9, 2016: Third mediation
- March 29, 2017: Fourth mediation
- April 3, 2017: Terminated mediation
- May 18, 2017: Administrative claim two reviewed and rejected by TPAC



# Next Steps

- **Follow the Grievance Process:** TPAC to review and respond to grievances with formal report
- **Meeting of Legislative Bodies:** City of San Jose proposed waiving this meeting; tributary agencies agreed
- **Negotiate New Agreement:** All tributary agencies want to negotiate a new Master Agreement. However, if an agreement cannot be reached, it may lead to a lawsuit.





# What we want to accomplish with City of San Jose

## Changes to the Master Agreement

- Update and Clarify Terms and Definitions
- Enable Capital Funding and PMP
- Increase Transparency in Administration of Plant Funds
- Clarify Agency Participation in Plant Lands
- Update Liability Provision
- Allow Periodic Review of Master Agreement
- A seat for BSD on TPAC



# Help Support Our Efforts...

- **Write to Santa Clara County Supervisor Ken Yeager:**  
70 W Hedding St / East Wing - 10<sup>th</sup> Floor / San Jose, CA 95110  
OR EMAIL: *supervisor.yeager@bos.sccgov.org*
- **Voice your opinion at Treatment Plant Advisory Committee (TPAC) and City Council Meetings:**  
*www.sanjoseca.gov*
- **Attend and comment at the Rules and Open Government Committee:**  
*Meets each Wednesday at 2:00 p.m. in rooms W118 & W119*  
*(Call: Susan Davis 408-535-1260 for more information / instructions)*
- **Discuss this topic on Nextdoor.com with neighbors in the Burbank Sanitary District**



# Questions?

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