



Sunnyvale

Sunnyvale Cleanwater Program: Program Update

Council Study Session
March 18, 2025



Water Pollution Control Plant



Sunnyvale Cleanwater Program: Drivers



CONDITION



CAPACITY



REGULATIONS

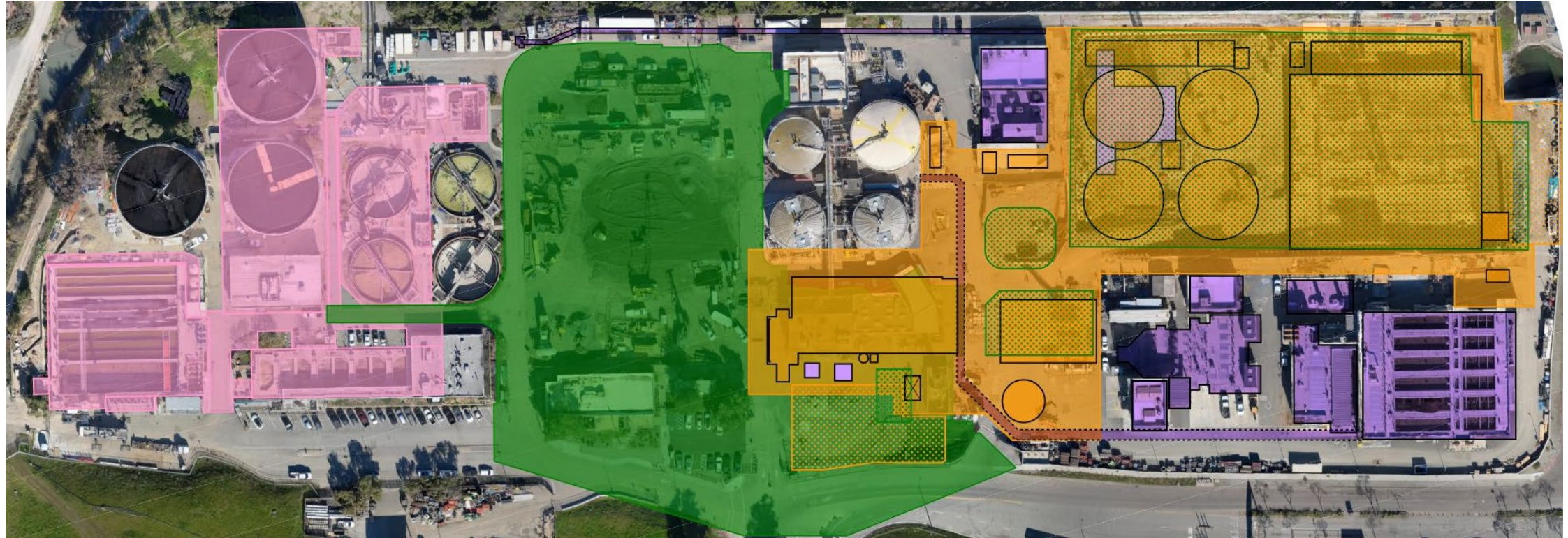


POLICY



PERFORMANCE

Sunnyvale Cleanwater Program: Active Projects



PROJECT 1.1

PROJECT 2.2

 PRIMARY TREATMENT FACILITIES

 SITE PREP/TEMPORARY FACILITIES

PROJECT 2.1

 SECONDARY TREATMENT - MAIN PACKAGE

 EXISTING PLANT REHABILITATION

Sunnyvale Cleanwater Program Update

Accomplishments

Challenges

Road ahead

Featured in Civil Engineering Magazine



Sunnyvale Water Pollution Control Plant is undergoing a five-phase, 25-year revitalization project that will allow it to accommodate the surrounding region. (Photograph courtesy of Felicia Kieselhorst Photography)

Headworks and Primary Treatment Project



Existing Plant Rehabilitation



Pedestals for the FRP baffle wall

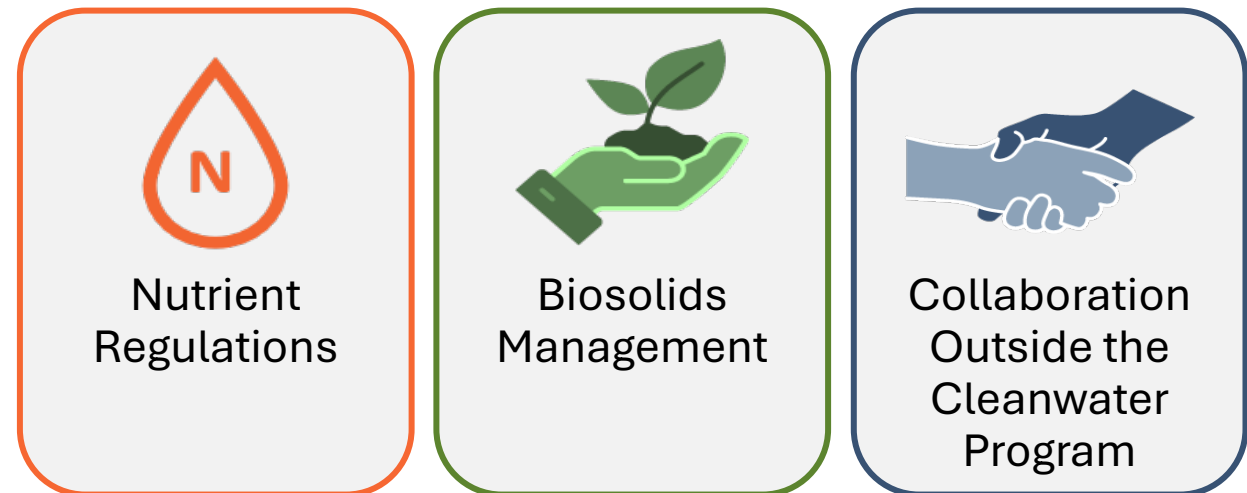
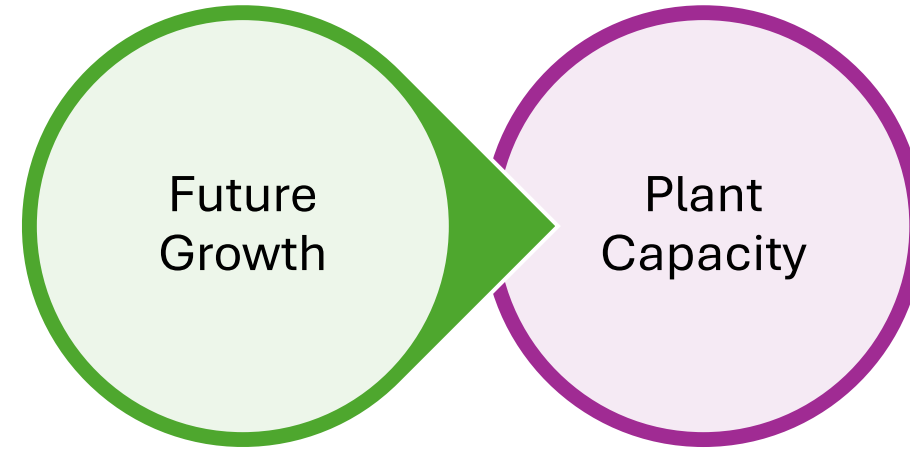
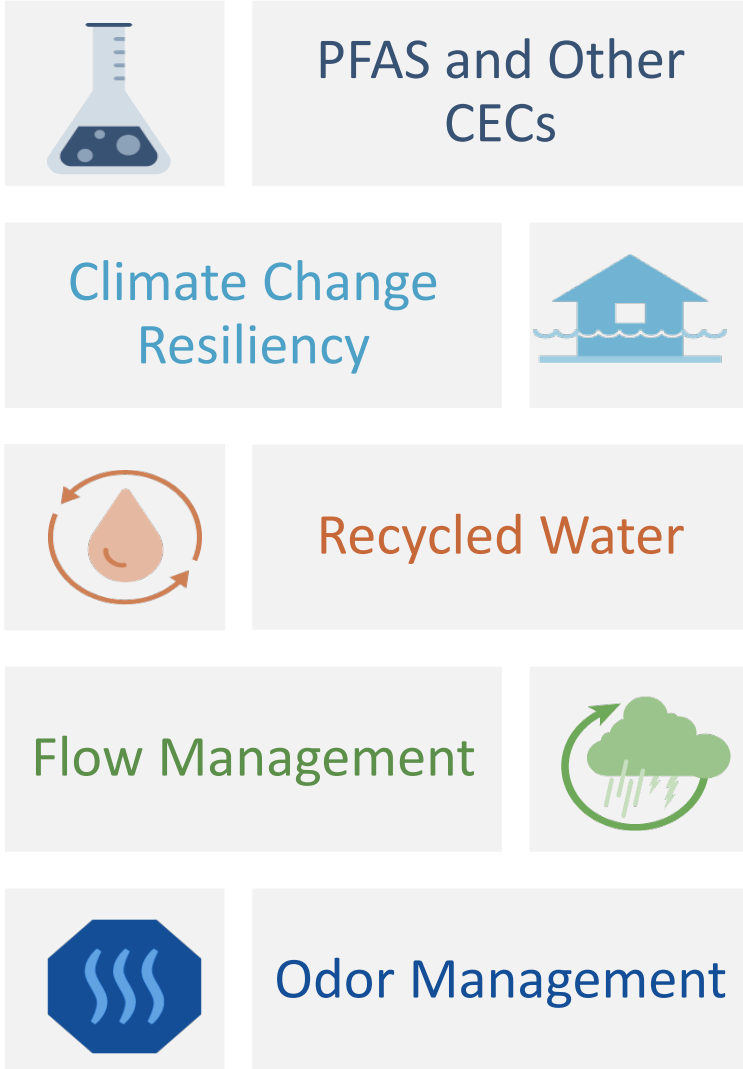


Duct bank installation

Yard Pipe Condition Assessment




Master Plan Update



Sunnyvale Cleanwater Program Update

Accomplishments

 **Challenges**

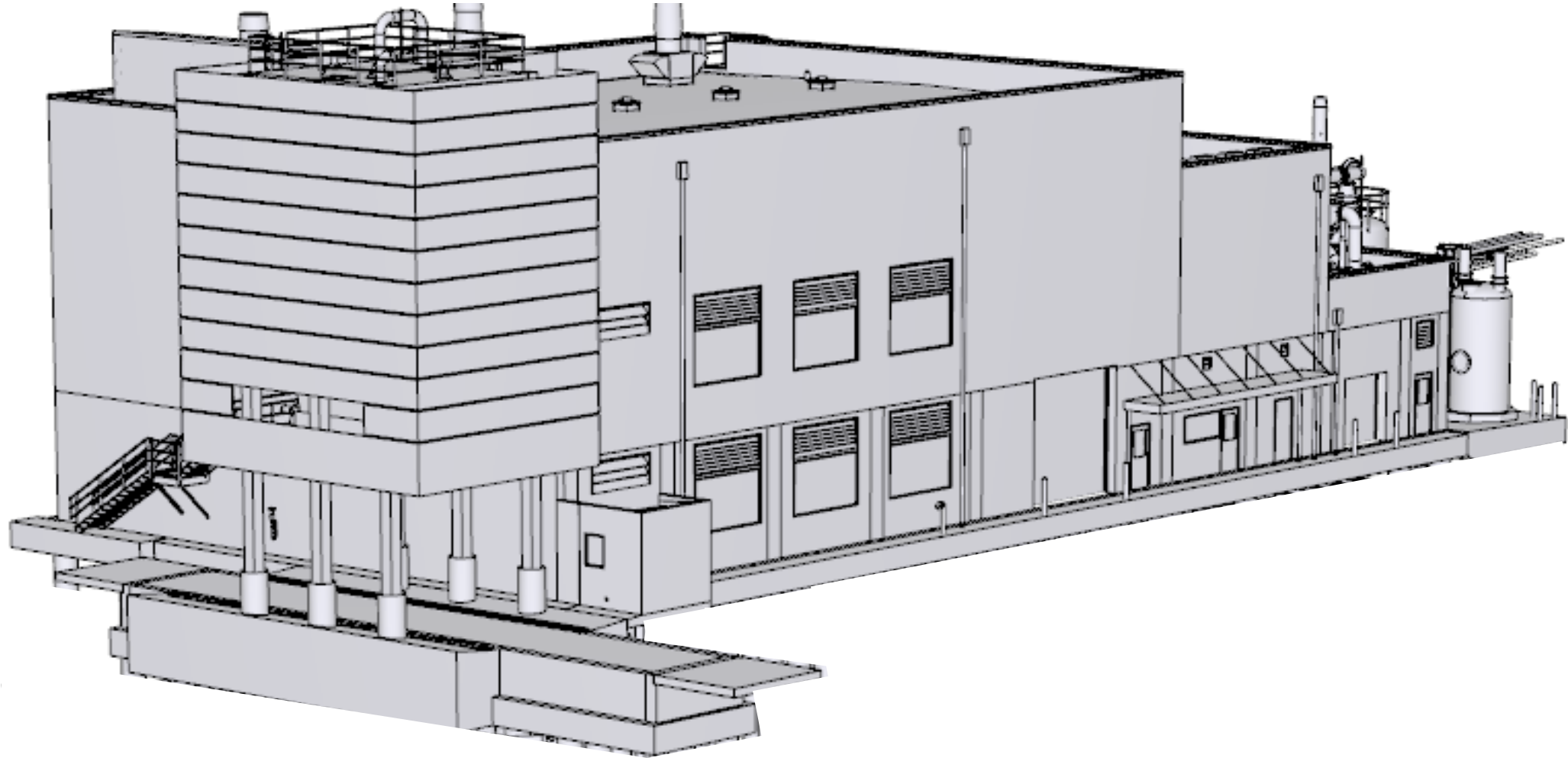
Road ahead

Site Preparation Package



Primary Sedimentation Tank (PST) Demolition

Thickening and Dewatering Building



Thickening and Dewatering Building

Secondary Treatment Facilities



Bioreactor Basin

Before and After Aerials



2016



2025

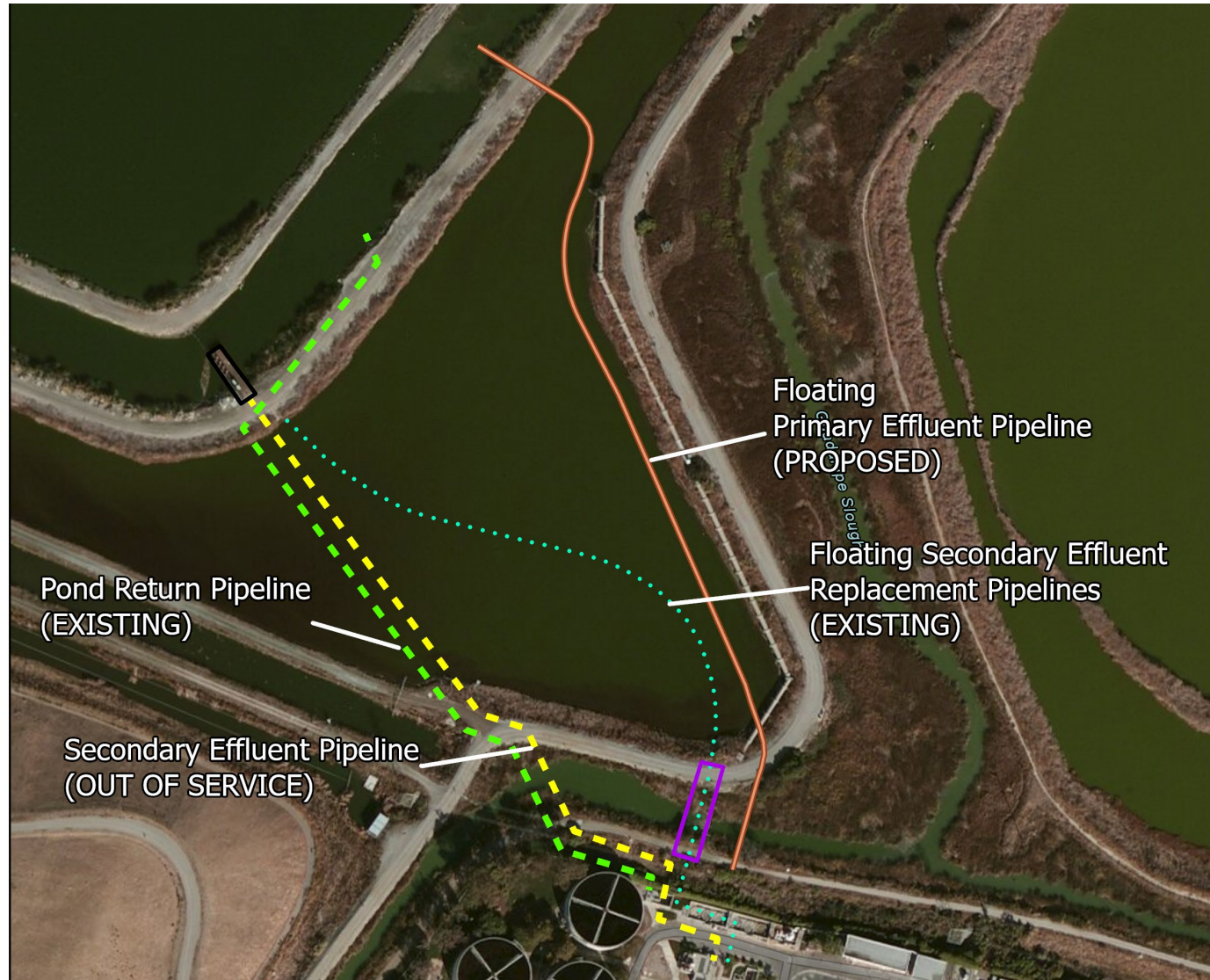
Sunnyvale Cleanwater Program Update

Accomplishments

Challenges

 **Road ahead**

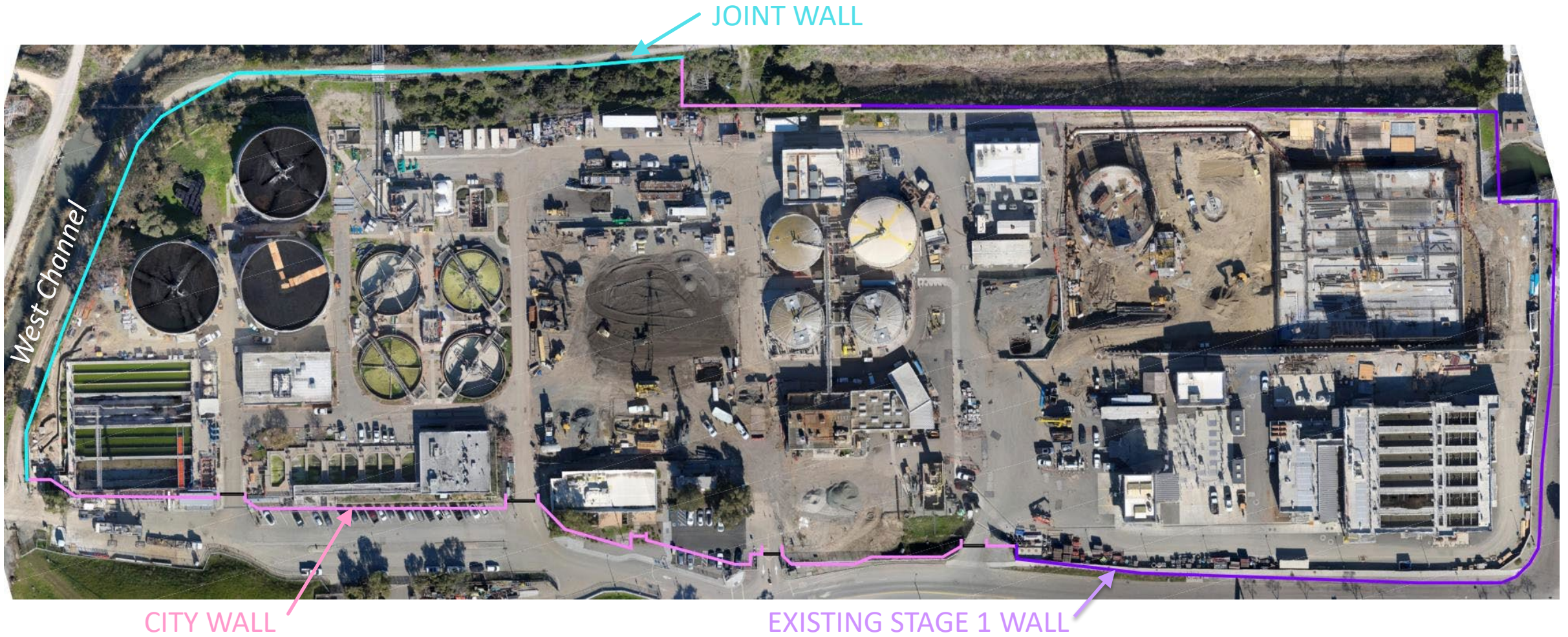
Pipeline Rehabilitation and Replacement



Cogeneration Upgrade



Perimeter Wall



Cleanwater Center Building



Cleanwater Program Cost: All Projects

Projects	Adopted Budget
Completed	\$131.9M
Active Design and Construction	\$563.1M
Future Phases 2 and 3	\$42.1M
Phase 4	\$358.6M
Phase 5	\$44.3M
Programmatic	\$175.9M
Total	\$1,315.0M

Financing the Largest Project in City History

Foundation: Council Policy

- **7.1.1 Long Range Goal XI:** To prudently utilize the issuance of debt to minimize costs, maximize cash flow, and/or ensure that future users are responsible for costs as appropriate.
- **Utility Fund Policies 7.1.1 I1b.5:** Bonded debt financing should be used for capital improvements as appropriate to:
 - ◆ Make cost recovery of an asset more consistent with its useful life
 - ◆ Equitably assign cost over multiple generations of customers who use the assets
 - ◆ Smooth near-term rate impacts of the project

Low Interest Loans

Clean Water State Revolving Fund (SRF) Loan Round 1

\$127.1M at 1.7% interest, with \$4M in loan principal forgiven for Phase 1 financing of Primary Treatment and Headworks.

Water Infrastructure Financing and Innovation Act (WIFIA) Loan

\$220.6M at 1.56% interest, featuring an interest-only debt service structure until 2053, financing Site Preparation, the Perimeter Wall, Pipeline Replacement, Cleanwater Center, and a portion of the Plant Rehabilitation project.

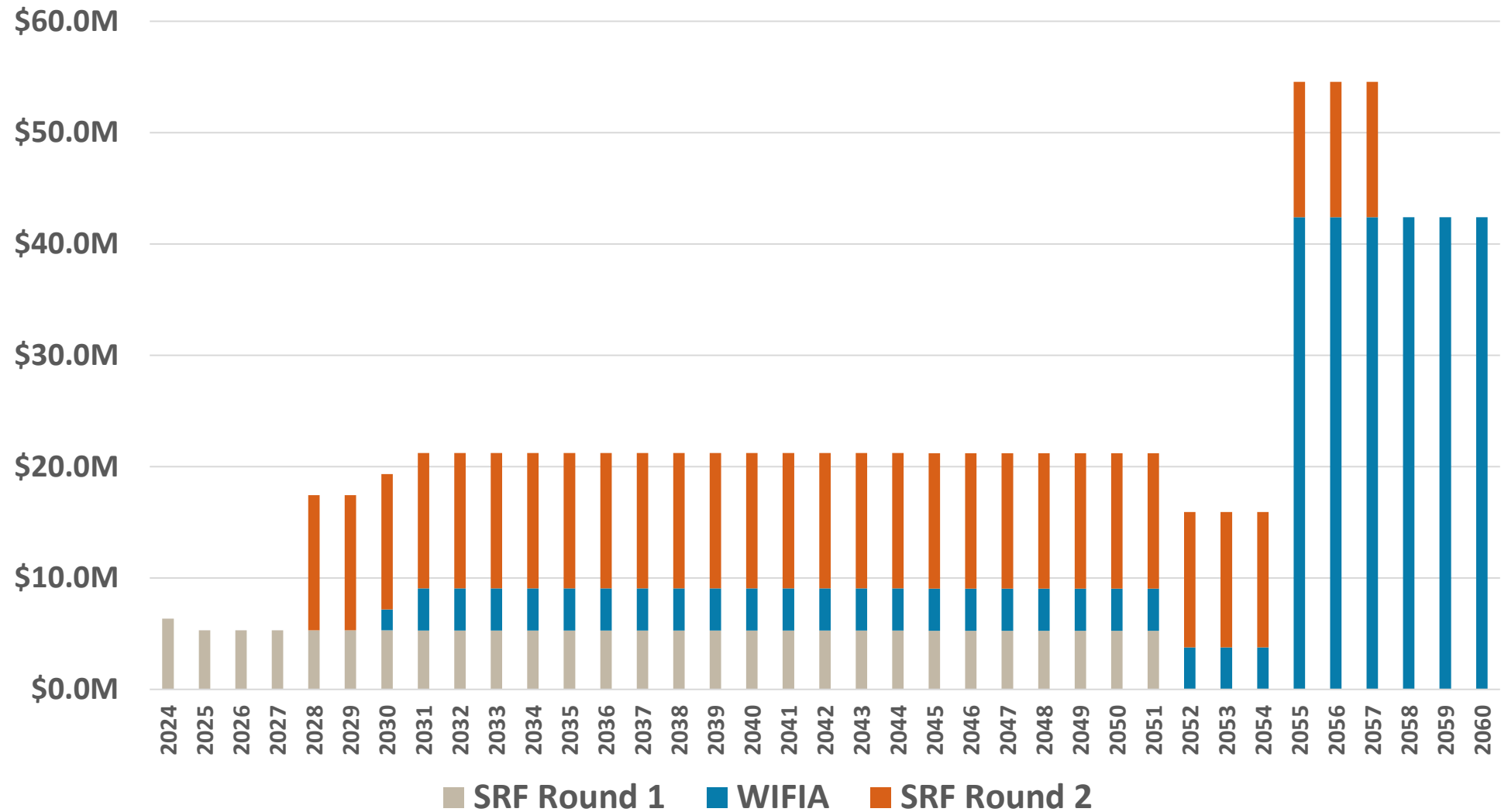
Clean Water State Revolving Fund (SRF) Loan Round 2

\$287.8M at 1.6% interest, covering Secondary Treatment.

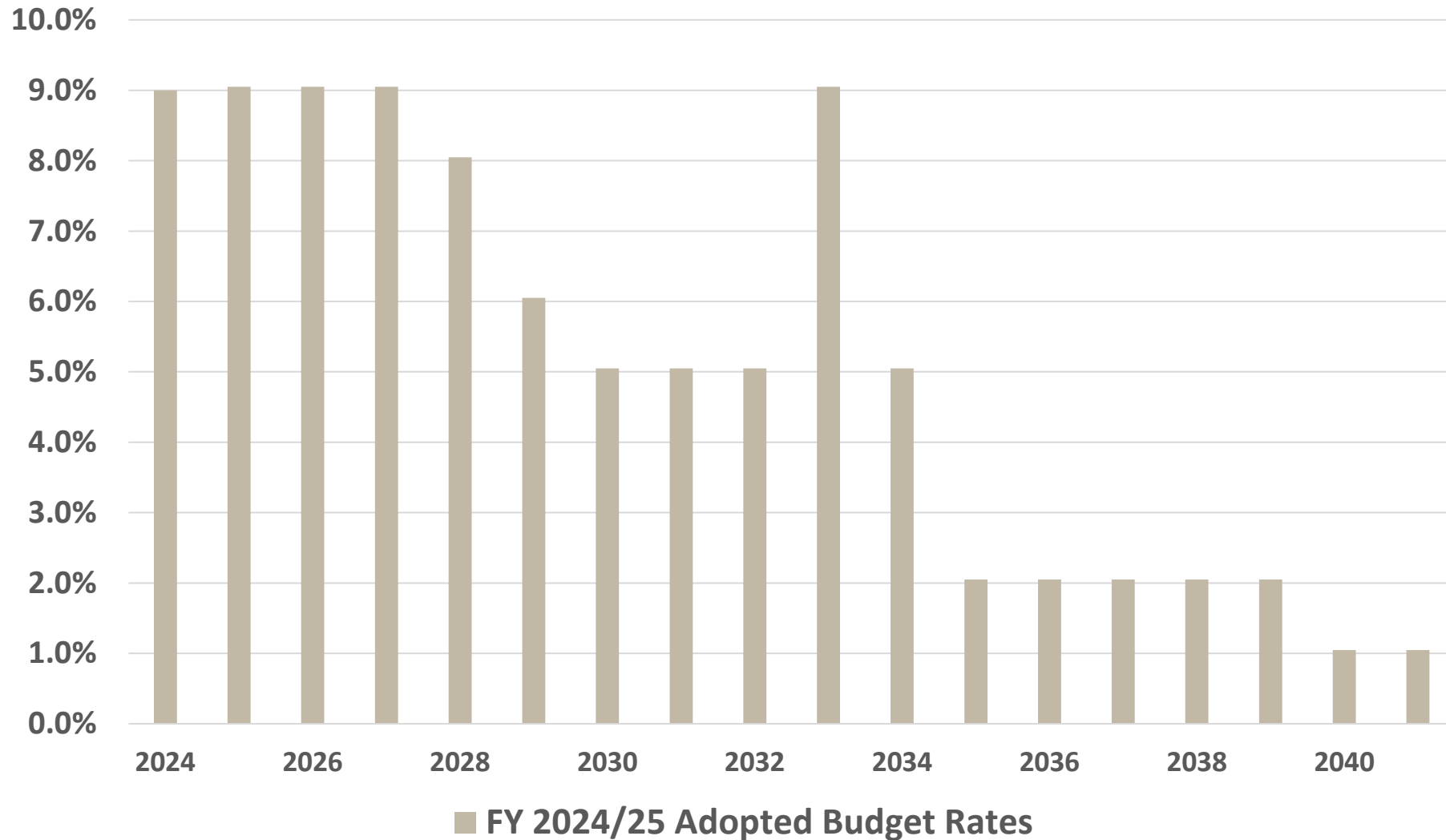
Total Funding (per FY 2024/25 Adopted Budget)

Funding Source	Amount
Wastewater Fund Revenues (Service Fees)	\$423.3M
Low Interest Loans	635.6M
Other Planned Debt	256.1M
Total	\$1,315.0M

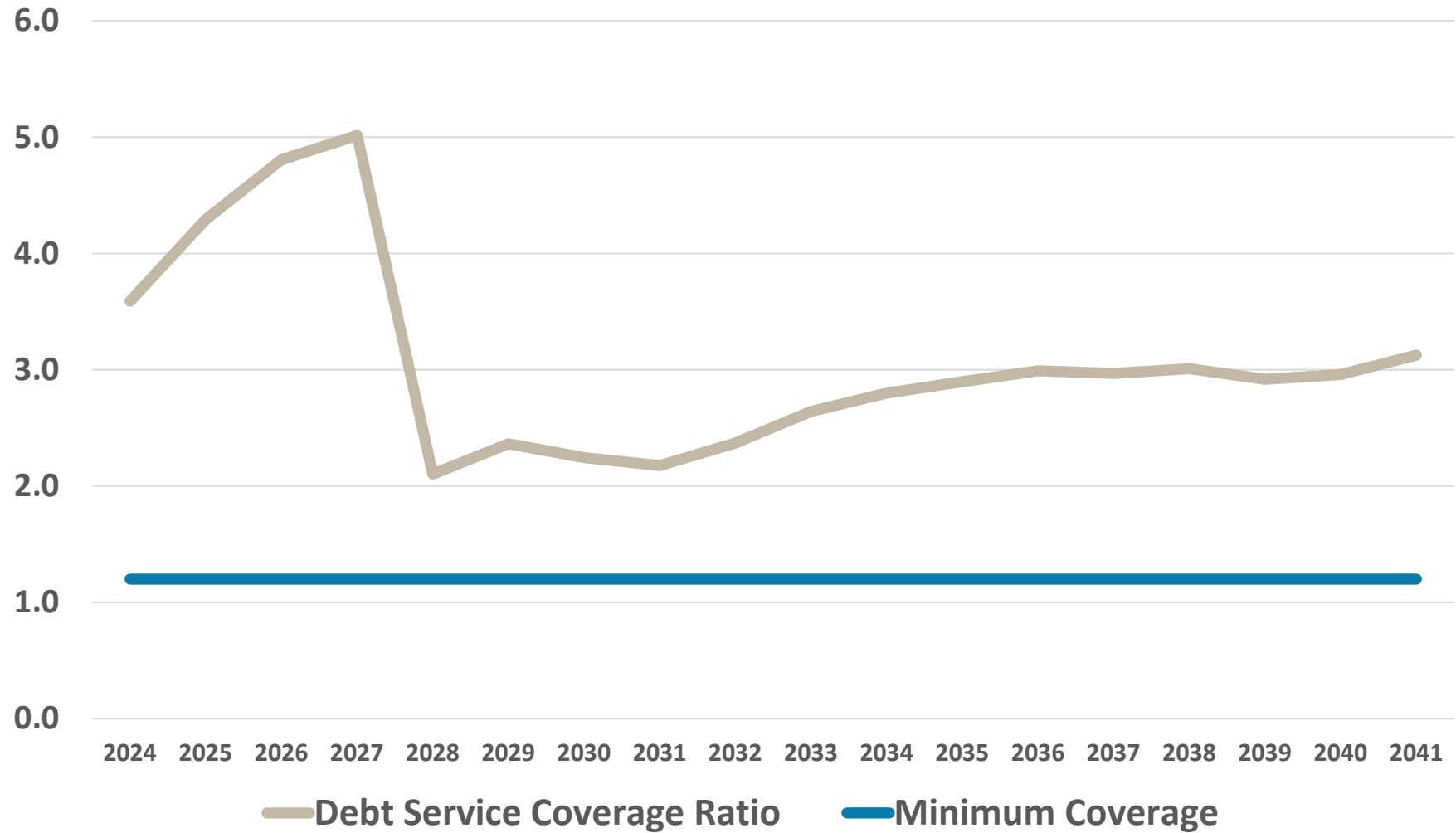
Debt Service Payments



Estimated Future Sewer Rate Increases



Debt Service Coverage (min 1.2x)



Next Steps in 2025

- **May** — Amendment for Program Management; Prop 218 Notices
- **June** — Authorization and Reimbursement Resolutions for SRF Round 3
- **July** — Award of Cleanwater Center Construction Management Contract
- **September** — Easement to PG&E for Relocated Assets
- **November** — Cost Share and Maintenance Agreements for Joint Wall with Valley Water
- **December** — Award of Digestion Upgrade Design Contract

Upcoming Milestones

- **Summer 2026**—Finish Plant Rehabilitation construction
- **Fall 2026**—Adopt Master Plan Update
- **Spring 2028**—Finish Perimeter Wall construction
- **Summer 2028**—Finish Primary Effluent Pipeline replacement
- **Fall 2028**—Finish Secondary/Dewatering construction
- **Spring 2029**—Finish Cleanwater Center construction
- **Fall 2030**—Finish Cogeneration Upgrade

Thank you!

Questions?