



Sunnyvale Cleanwater Program Update

Informational Presentation
August 25, 2026



Sunnyvale Cleanwater Program

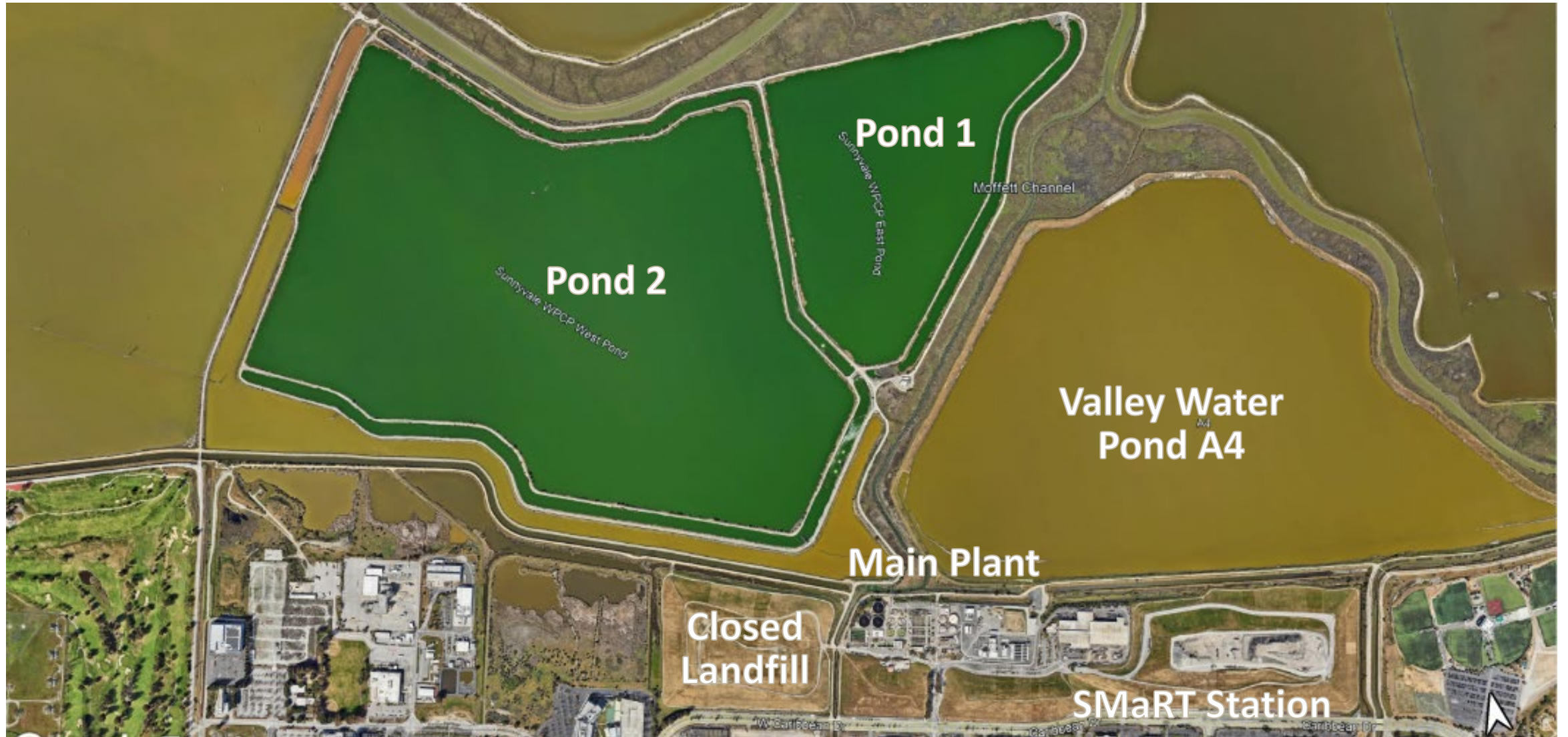
Introduction

Recent Highlights

Challenges and Lessons Learned

Funding and Financing

Water Pollution Control Plant



Water Pollution Control Plant: 2016



Water Pollution Control Plant: Today

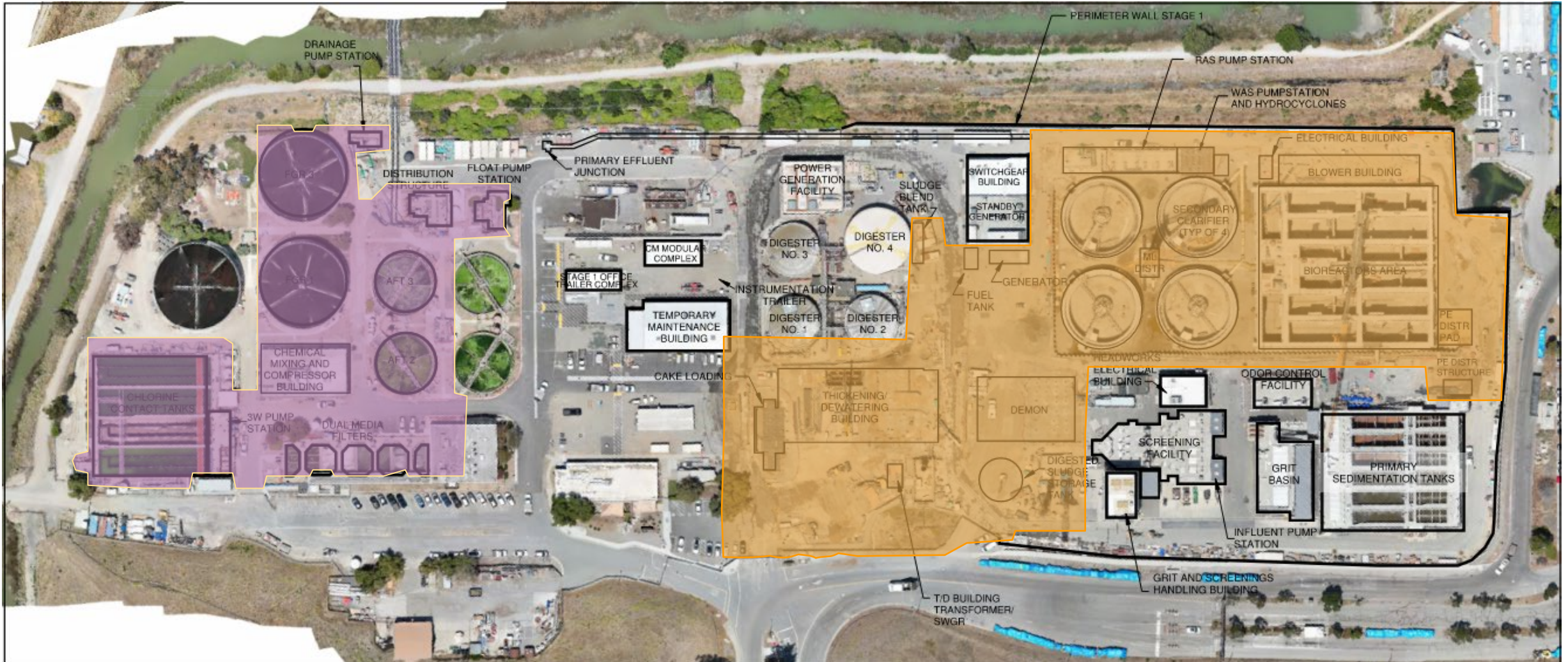


2026

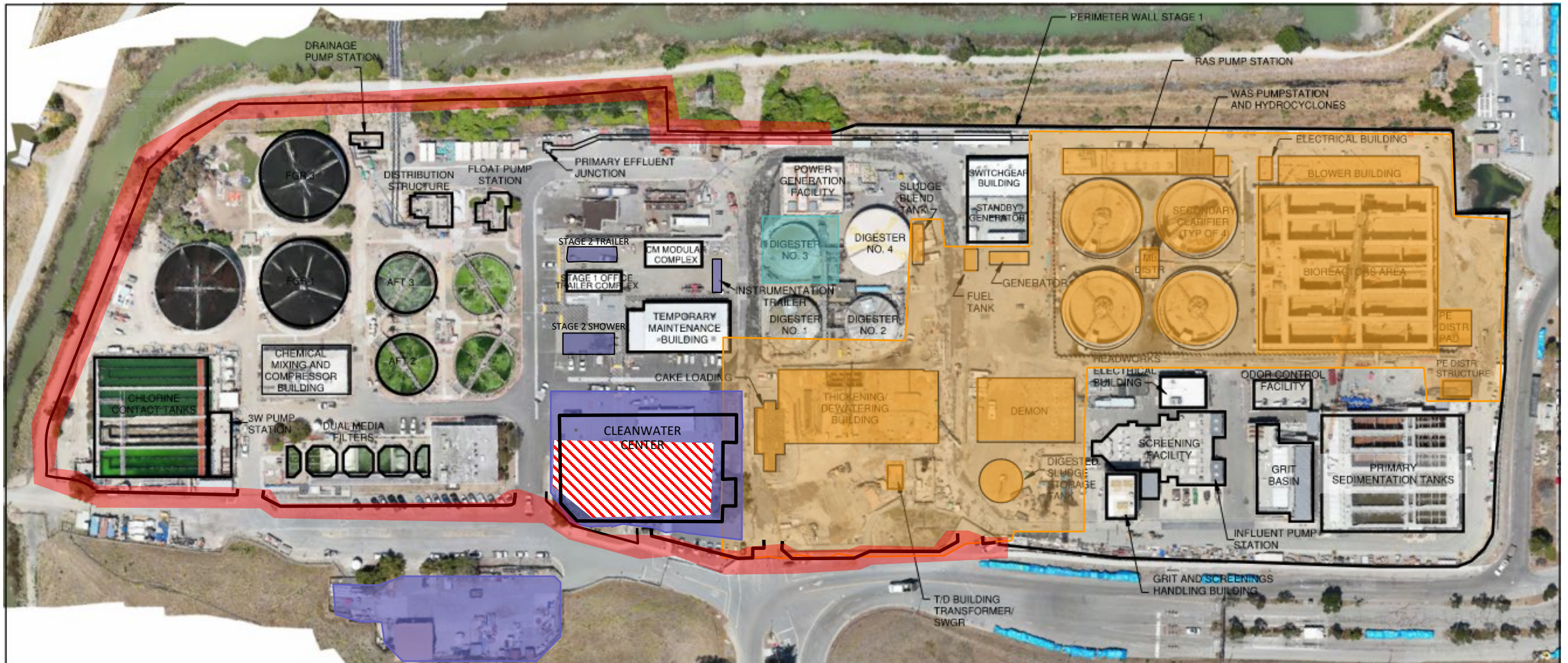


2016

City of Sunnyvale – Program Update – August 25, 2026



Water Pollution Control Plant: Coming Soon



Sunnyvale Cleanwater Program

Introduction

 **Recent Highlights**

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Funding and Financing

Recent Highlights: Won five industry awards



Recent Highlights: Secondary Site Prep Project complete



New Temporary Maintenance Shop and Office Trailer Complex

Recent Highlights: Secondary treatment construction

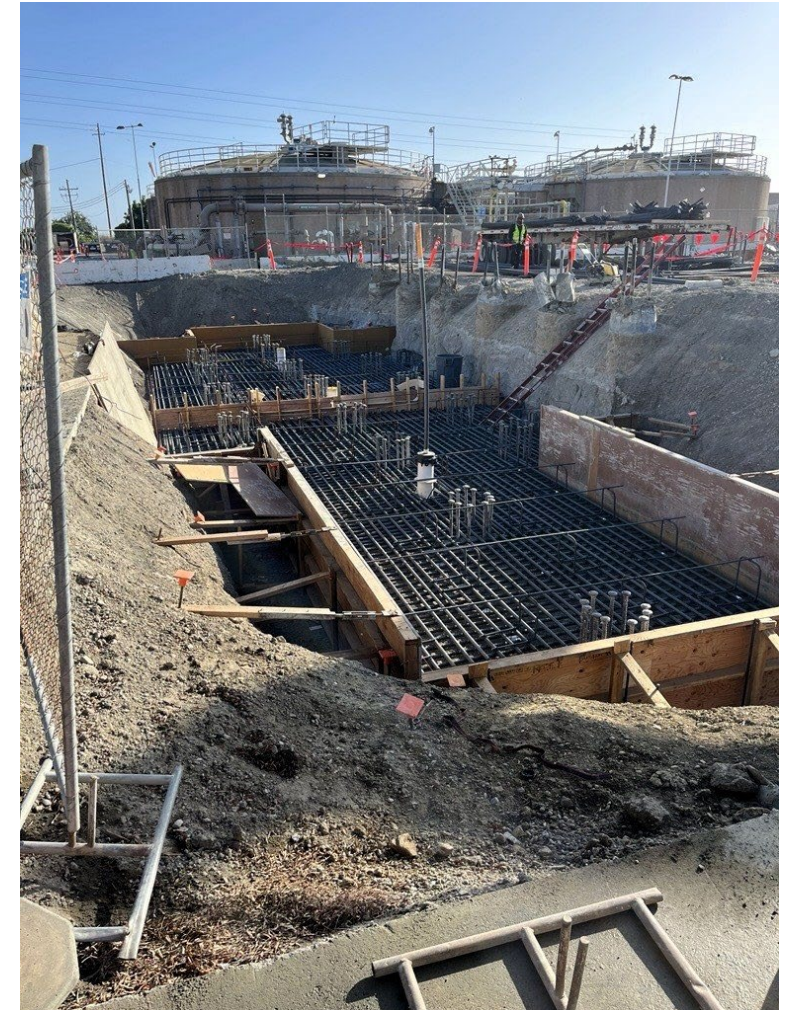


New Secondary Treatment Facilities

Recent Highlights: Solids handling construction



90-ft deep Auger Cast Piles for Thickening & Dewatering Building



Foundation pad for Cake Loading Area

Recent Highlights: Existing Plant Rehabilitation nearly finished



Replaced Media in Fixed Growth Reactors

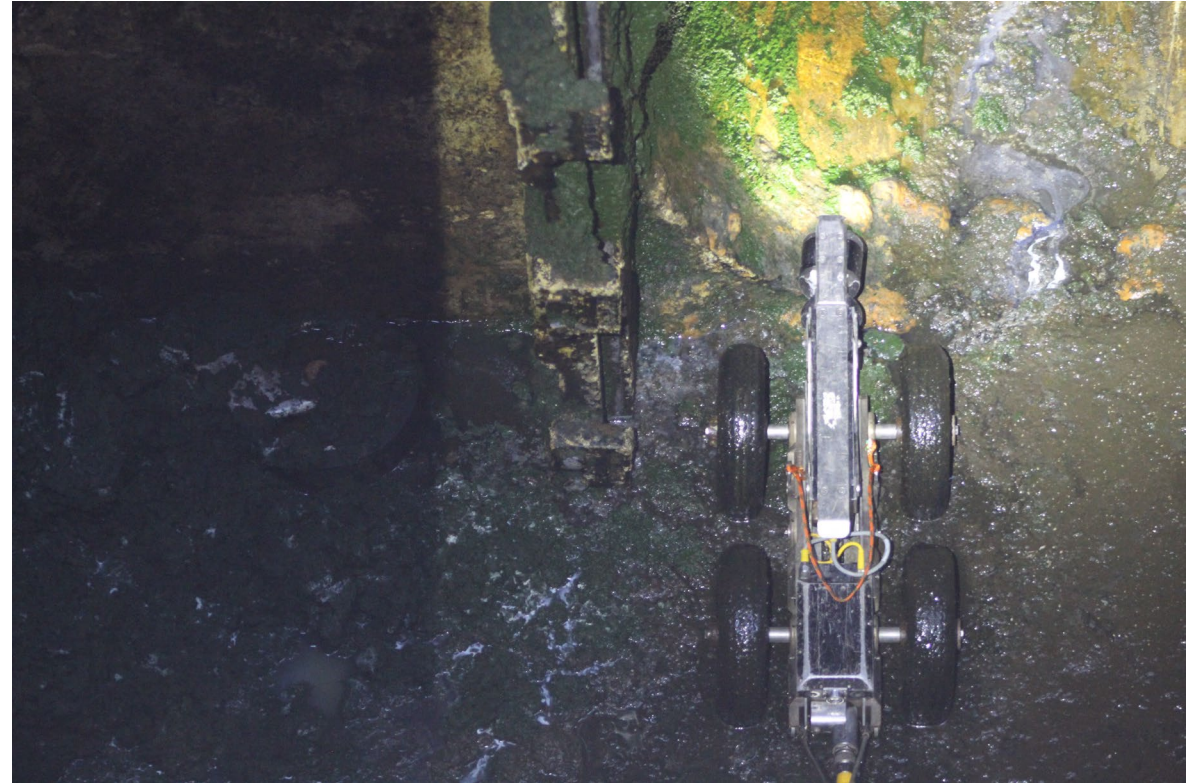


New Baffle Walls in Chlorine Contact Tanks

Recent Highlights: Condition Assessment finished under budget



Visual Inspection of Existing Facilities



Remote-controlled Cameras to inspect Underground Utilities

Sunnyvale Cleanwater Program

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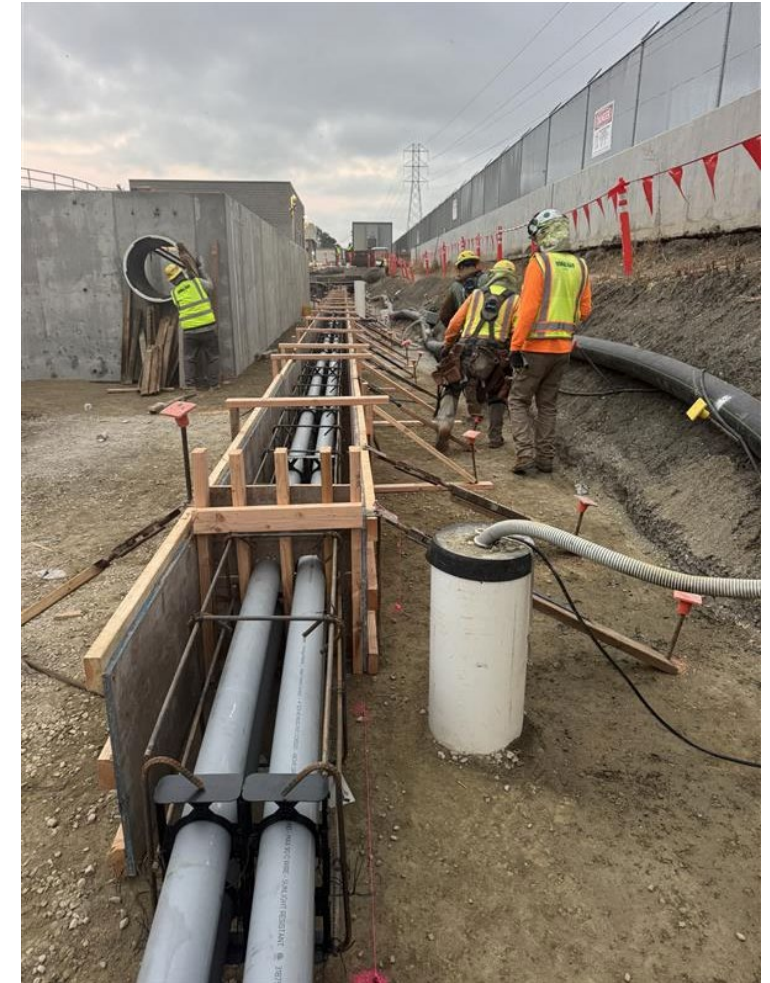
 **Challenges and Lessons Learned**

Funding and Financing

Ongoing Challenges: Space Constraints and Unmapped Utilities



Field Adjustments to Installed Pipelines



Narrow Corridors for New Utilities

Ongoing Challenges: Demolition and Hazardous Materials



Demolition of Existing Primary Sedimentation Tanks



Demolition of Existing Primary Control Building

We Apply Past Lessons to Ongoing Challenges

- Prequalified electrical subcontractors reduces our risk of problems during construction.
- Partnering improves cooperation with contractors on issues.
- Added a forensic accountant and replaced outside counsel.



We Apply Past Lessons to Ongoing Challenges

- Bundling contracts to reduce simultaneous contractors onsite.
- Bay Area Air District EPM program to facilitate our cogen engine permitting.



Sunnyvale Cleanwater Program

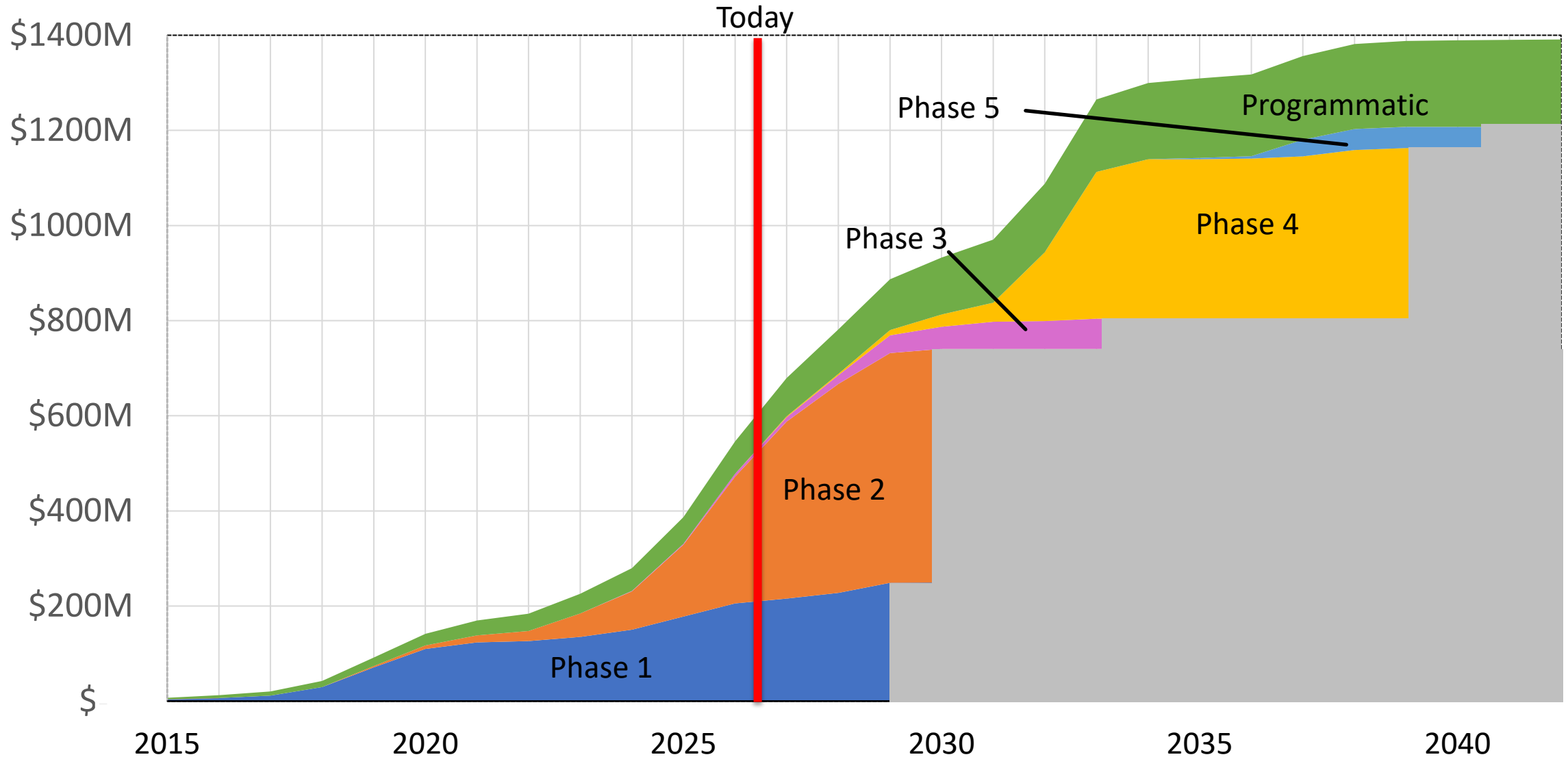
Introduction

Recent Highlights

Challenges and Lessons Learned

 **Funding and Financing**

Actual and Planned Expenditures (per Adopted Budget)



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

Financing Phases 1 & 2: Low-Interest Loans

Clean Water State Revolving Fund Loan Round 1

\$118M 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 Loan

\$221M at 1.56% interest, featuring an interest-only debt service structure until 2053, for Phase 1 and 2 financing of Secondary, Site Prep, Cleanwater Center, the Perimeter Wall, Pipeline Replacement, and part of Plant Rehab.

Clean Water State Revolving Fund Loan Round 2

\$313M at 1.6% interest, for Phase 2 financing covering Secondary Treatment.

Clean Water State Revolving Fund Loan Round 3

\$50M at 2.1% interest, for Phase 2 financing covering Plant Rehab.

Program Financing: Summary

Project (Phase 1-2)	Loan Source	Loan Amount	Interest Rate
Primary	SRF 1	\$118M	1.7%
Secondary, Site Prep, Plant Rehab, Cleanwater Center	WIFIA 1	\$221M	1.56%
Secondary	SRF 2	\$313M	1.6%
Plant Rehab	SRF 3	\$50M	2.1%

- Total Completed & Budgeted Active Project Costs: **\$929M**
- Total Low-Interest Loan Amount: **\$702M**

Total Funding (per Current Adopted Budget)

Funding Source	Amount
Wastewater Fund Revenues (Service Fees)	\$430M
Low Interest Loans (Phases 1 & 2)	\$702M
Other Planned Debt	\$256M
Total	\$1,388M

New Funding Secured (In addition to Low-Interest Loans)

\$4M cost share

\$1M federal grant



Next Actions for Council

October 2026

Execute easement to
PG&E for Secondary
Treatment service

December 2026

Award Cleanwater
Center and Perimeter
Wall Construction
Contract

Spring 2027

Receive and Adopt
Master Plan Update

Thank you!

