



Santa Clara Valley Water District Capital Improvement Program Committee Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: <https://valleywater.zoom.us/j/94158013374>

REGULAR MEETING AGENDA

Thursday, July 31, 2025
11:00 AM

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

BOARD COMMITTEE MEMBERS:

Committee Chair:
Director Nai Hsueh, District 5

Committee Vice Chair:
Director Tony Estremera, District 6

Committee Member:
Director Jim Beall, District 4

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 to the public through the legislative body agenda web page at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

COMMITTEE LIAISON:
Jessica Collins

Dave Leon (COB Liaison)
Asst. Deputy Clerk II
DaveLeon@valleywater.org
1-408-630-2006

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Capital Improvement Program Committee**

**REGULAR MEETING
AGENDA**

Thursday, July 31, 2025

11:00 AM

HQ. Bldg. Boardroom, 5700 Almaden
Expressway, San Jose, California

Join Zoom Meeting:

<https://valleywater.zoom.us/j/94158013374>

IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as a “hybrid” meetings, conducted in-person as well as by telecommunication, and is compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while still maintaining transparency and public access, members of the public have an option to participate by teleconference/video conference or attend in-person. To observe and participate in the meeting by teleconference/video conference, please see the meeting link located at the top of the agenda. If attending in-person, you are required to comply with Ordinance 22-03 - AN ORDINANCE OF THE SANTA CLARA VALLEY WATER DISTRICT SPECIFYING RULES OF DECORUM FOR PARTICIPATION IN BOARD AND COMMITTEE MEETINGS located at <https://s3.us-west-2.amazonaws.com/valleywater.org.if-us-west-2/f2-live/s3fs-public/Ord.pdf>

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee during public comment or on any item listed on the agenda, may do so by filling out a Speaker Card and submitting it to the Clerk or using the “Raise Hand” tool located in the Zoom meeting application to identify yourself in order to speak, at the time the item is called. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and granted speaking access to address the Board.

- Members of the Public may test their connection to Zoom Meetings at: <https://zoom.us/test>
- Members of the Public are encouraged to review our overview on joining Valley Water Board Meetings at: <https://www.youtube.com/watch?v=TojJpYCxXm0>

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board’s office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has

not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:
<https://valleywater.zoom.us/j/94158013374>
Meeting ID: 941 5801 3374
Join by Phone:
1 (669) 900-9128, 94158013374##

1. CALL TO ORDER:

1.1. Roll Call.

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

Notice to the public: Members of the public who wish to address the Board/Committee on any item not listed on the agenda may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify yourself to speak. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and granted speaking access to address the Board/Committee. Speakers' comments should be limited to three minutes or as set by the Chair. The law does not permit Board/Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board/Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board/Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of June 16, 2025 and June 25, 2025 Capital Improvement Program Committee Minutes.

[25-0666](#)

Recommendation: Approve the minutes.
Manager: Candice Kwok-Smith, 408-630-3193
Attachments: [Attachment 1: 061625 CIP Committee Draft Minutes](#)
[Attachment 2: 062525 CIP Committee Draft Minutes](#)
Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

- 4.1. Receive Project and Status Update for the Guadalupe River - Upper, [25-0552](#)
Interstate 280 to Blossom Hill Road, Flood Protection Project, Project No.
26154003.

Recommendation: A. Receive an Update on the Guadalupe River - Upper,
Interstate 280 to Blossom Hill Road, Flood Protection
Project, Project No. 26154003; and
B. Receive Information on Locally Funded Alternatives.

Manager: Bhavani Yerrapotu, 408-630-2735

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 30 Minutes

- 4.2. Receive Report on Procurement Elements and Contracting Approach for [25-0569](#)
the Anderson Dam Seismic Retrofit Project (ADSRP), Project No.
91864005.

Recommendation: Receive report on the construction contractor prequalification
process, best value bid selection criteria, sole source
construction materials, contract retention, and proposed
liquidated damages and incentive approach for ADSRP.

Manager: Tony Ndah, 408-630-2208

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 15 Minutes

- 4.3. Receive Information Relating to Valley Water's Consultant Agreement [25-0655](#)
Amendment and Construction Contract Change Order Protocols and
Staff's Response to Concerns Relating to the Costs for the Collection of
Anderson Dam Projects.

Recommendation: Receive Information Relating to Valley Water's Consultant
Agreement Amendment and Construction Contract Change
Order Protocols and Staff's Response to Concerns Relating to
the Costs for the Anderson Dam Projects.

Manager: Luz Penilla, 408-630-2228
Ryan McCarter, 408-630-2983

Attachments: [Attachment 1: Memorandum from Committee Chair](#)
[Attachment 2: FOCP and ADSRP Contracts](#)
[Attachment 3: PowerPoint](#)

Est. Staff Time: 20 minutes

- 4.4. Receive and Discuss Information Regarding the Status of Capital Projects in the Feasibility and Planning Phase. [24-1077](#)

Recommendation: Receive and discuss information regarding the status of capital projects in the feasibility and planning phase.

Manager: Ryan McCarter, 408-630-2983
Kirsten Struve, 408-630-3138
Luz Penilla, 408-630-2228
Emmanuel Aryee, 408-630-3074
Bhavani Yerrapotu, 408-630-2735
Lisa Bankosh, 408-630-2618
Tony Ndah, 408-630-2208

Attachments: [Attachment 1: Feasibility and Planning Report](#)

Est. Staff Time: 10 Minutes

- 4.5. Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract. [24-1087](#)

Recommendation: Receive information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

Manager: Ryan McCarter, 408-630-2983

Attachments: [Attachment A: Government Code § 84308: Flatiron West, Inc.](#)
[Attachment 1: Construction Contract Change Orders Status](#)
[Attachment 2: Construction Contract Financial Status](#)

Est. Staff Time: 10 Minutes

- 4.6. Review 2025 Capital Improvement Program Committee Work Plan. [25-0596](#)

Recommendation: Review the 2025 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: 2025 CIP Committee Work Plan](#)

Est. Staff Time: 5 Minutes

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

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 the meeting.

6. ADJOURN:

- 6.1. Adjourn. The next Regular Meeting is scheduled at 11:00 a.m. on August 18, 2025

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Santa Clara Valley Water District

File No.: 25-0666

Agenda Date: 7/31/2025
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM **Capital Improvement Program Committee**

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Approval of June 16, 2025 and June 25, 2025 Capital Improvement Program Committee Minutes.

RECOMMENDATION:

Approve the minutes.

SUMMARY:

In accordance with the Ralph M. Brown Act, a summary of Committee discussions, and details of all actions taken by the Capital Improvement Program Committee, during all open and public Committee meetings, is transcribed and submitted to the Committee for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the Committee's historical record archives and serve as the official historical record of the Committee's meeting.

ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:

There are no Environmental Justice impacts associated with this item.

ATTACHMENTS:

Attachment 1: 061625 CIP Committee Draft Minutes

Attachment 2: 062525 CIP Committee Draft Minutes

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

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CAPITAL IMPROVEMENT COMMITTEE MEETING
DRAFT MINUTES

SPECIAL MEETING
MONDAY, June 16, 2025
11:00 AM

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A regular meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Committee (Committee) was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference, at 11:00 a.m.

1.1 Roll Call.

Committee members in attendance were District 4 Director Jim Beall, District 6 Director Tony Estremera, Vice Chairperson, and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance were: Gina Adriano, Emmanuel Aryee, Lisa Bankosh, Audrey Beaman, James Bohan, Lisa Brancatelli, Mark Bilski, John Bourgeois, Rita Chan, Jen Codianne, Jessica Collins, Enrique De Anda, Zooey Diggory, Andrew Garcia, Rachael Gibson, Samantha Greene, Jaeho Hahn, Chris Hakes, Cody Houston, Cecil Lawson, Dave Leon, Jennifer Martin, Nicole Merritt, Tony Ndah, Carlos Orellana, Max Overland, Luz Penilla, Samantha Pe-Wong, Alison Phagan, Mark Poole, Mike Potter, Mario Rivas, Kristie Resendez, Mario Rivas, Don Rocha, Amandeep Saini, Maged Salib, Diahann Hudson Soleno, Kirsten Struve, Odilia Teixeira, Bhavani Yerrapotu, Tina Yoke, and Beckie Zisser.

Public in attendance were: XXX-XXX-5815, Shiloh Ballard, Rebecca

Eisenberg, and SJ.

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

Chairperson Hsueh declared time open for public comment on any item not on the agenda. There was no one who wished to speak.

3. APPROVAL OF MINUTES:

- 3.1. Approval of May 19, 2025 Capital Improvement Program Committee Meeting Minutes.

Recommendation: Approve the minutes.

Public Comments: None.

It was moved by Vice Chairperson Estremera and seconded by Director Beall, and unanimously carried to approve the minutes as submitted.

Regular Agenda:

- 4.1. Receive and Discuss Information Regarding the Status of Capital Projects in the Construction Phase.

Recommendation: Receive and discuss information regarding the status of capital projects in the construction phase.

Andrew Garcia, Emmanuel Aryee, Bhavani Yerrapotu, Cecil Lawson, and Tony Ndah reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachment 1 were reviewed by staff per the row and Deputy's initials as follows: Andrew Garcia reviewed rows marked RM, Emmanuel Aryee reviewed rows marked EA, Bhavani Yerrapotu reviewed rows marked BY, Cecil Lawson reviewed rows marked CL, and Tony Ndah reviewed rows marked TN. Andrew Garcia, Emmanuel Aryee, Bhavani Yerrapotu, Cecil Lawson, and Tony Ndah were available to answer questions.

Public Comments: None.

Director Beall noted that staff may be contacted by representatives from Rolling Hills Junior High School to schedule a visit to the water treatment plant.

Discussion ensued relating to the South County recycled water pipeline, including issues causing the delay in Phase 1C of the project and ongoing negotiations with the contractor.

The Committee received the information and took no formal action.

4.2. Review and Discuss Information Regarding the Status of Capital Projects in the Environmental Permit Compliance (Post Construction) Monitoring Phase.

Recommendation: Review and discuss information regarding the status of capital projects in the environmental permit compliance (post construction) monitoring phase.

Zooey Diggory reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachment 1. Zooey Diggory and Lisa Bankosh were available to answer questions.

Public Comments: None.

Discussion ensued relating to the Cross Valley Pipeline Extension, including sources for mitigation, onsite replacement of habitats impacted by FOCP activities, and emergency permitting relating to the project.

The Committee received the information and took no formal action.

4.3. Receive Information on Upcoming Consultant Agreement Amendments for Capital Projects.

Recommendation: Receive information on upcoming consultant agreement amendments for capital projects.

Andrew Garcia reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachment 1. Andrew Garcia, Jessica Collins, Emmanuel Aryee, and Chris Hakes were available to answer questions.

The Committee received the information, took no formal action, and requested a special meeting to further discuss the Consultant Agreement Amendment presented.

4.4. Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

Recommendation: Receive information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

Andrew Garcia reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials

contained in Attachments 1 and 2. Andrew Garcia and Emmanuel Aryee were available to answer questions.

Public Comments: None.

The Committee received the information, took no formal action, and Chairperson Hsueh noted that she will report to the Committee relating to concerns raised by Director Beall regarding the development and negotiation steps of construction contract change orders, such as how a change order is initiated, who initiates change orders, and how costs of change orders are agreed to and approved at a future Committee meeting.

4.5. Review 2025 Capital Improvement Program Committee Work Plan.

Recommendation:

Review the 2025 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

The Committee considered this item without a staff presentation.

Public Comments: None.

The Committee noted that the Calabazas/San Tomas Aquino Staff Recommended Alternative item will move from July 2025 to November 2025, and an item relating to the ADSRP procurement plan will be added to the July 2025 Committee agenda.

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS:

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 the meeting.

The Committee took no action.

6. Adjourn:

6.1. Adjourn.

Chairperson Hsueh adjourned the meeting at 11:52 a.m.

Dave Leon
Assistant Deputy Clerk II

Date Approved:



CAPITAL IMPROVEMENT COMMITTEE MEETING
DRAFT MINUTES

SPECIAL MEETING
WEDNESDAY, June 25, 2025
11:00 AM

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A special meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Committee (Committee) was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference, at 11:00 a.m.

1.1 Roll Call.

Committee members in attendance were District 4 Director Jim Beall, District 6 Director Tony Estremera, Vice Chairperson, and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance were: Emmanuel Aryee, Audrey Beaman, Sarah Berning, Rita Chan, Jessica Collins, Meenakshi Ganjoo, Chris Hakes, Dave Leon, Alen Masic, Nicole Merritt, Carlos Orellana, Luz Penilla, Alison Phagan, Melanie Richardson, Avinek Shelopal, Stephanie Simunic, and Odilia Teixeira.

Public in attendance were: Rebecca Eisenberg, Kristen, and Rick.

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

Chairperson Hsueh declared time open for public comment on any item not on the agenda. There was no one who wished to speak.

Regular Agenda:

- 3.1. Receive Information on Amendment No. 3 to Agreement No. A4418A with COWI North America, Inc. for Construction Management Services for the Anderson Dam Tunnel Project, Project No. 91864006, CAS File No. 5135, Increasing the Fee by \$14,008,500 for a Total Revised Fee of \$53,170,972 and Extending the Term to April 30, 2027 (Morgan Hill, District 1).

Recommendation: Receive Information on Amendment No. 3 to Agreement No. A4418A, with COWI North America, Inc. for Construction Management Services for the Anderson Dam Tunnel Project, Project No. 91864006, increasing the fee by \$14,008,500, for a revised total fee of \$53,170,972 and extending the term to April 30, 2027.

Emmanuel Aryee reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachments 1 through 4. Emmanuel Aryee and Chris Hakes were available to answer questions.

Public Comments: None.

Director Beall reiterated his request from the June 16 Committee meeting relating to development and negotiation steps for construction contract change orders. Chairperson Hsueh noted that she will report on the request at a future Committee meeting.

Vice Chairperson Estremera requested that staff include clarifying language in its report to the Board stating complexities associated with Anderson Dam and the other projects the work relates to.

Chairperson Hsueh noted a study relating to Valley Water's management of construction contract records and requested that staff include that study in its report to the Board.

Further, the Committee approved support for forwarding the consultant agreement amendment to the Board for consideration by a vote of 2-1, with Director Beall voting no.

4. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS:

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 the meeting.

The Committee took no action.

5. Adjourn:

- 5.1. Adjourn. The next Regular Meeting is scheduled at 11:00 a.m. on July 21, 2025.

Chairperson Hsueh adjourned the meeting at 11:35 a.m.

Dave Leon
Assistant Deputy Clerk II

Date Approved:

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Santa Clara Valley Water District

File No.: 25-0552

Agenda Date: 7/31/2025

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM Capital Improvement Program Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive Project and Status Update for the Guadalupe River - Upper, Interstate 280 to Blossom Hill Road, Flood Protection Project, Project No. 26154003.

RECOMMENDATION:

- A. Receive an Update on the Guadalupe River - Upper, Interstate 280 to Blossom Hill Road, Flood Protection Project, Project No. 26154003; and
- B. Receive Information on Locally Funded Alternatives.

SUMMARY:

The Guadalupe River - Upper, Interstate 280 to Blossom Hill Road, Flood Protection Project, Project No. 26154003 (Upper Guadalupe River Flood Protection Project) is part of the Safe, Clean Water and Natural Flood Protection Program, under Priority E, as Project E8.

Valley Water and the US Army Corps of Engineers (USACE) initiated a General Re-evaluation Study in January 2021 to evaluate new alternatives and develop a preferred plan with the goal of making the Upper Guadalupe River Flood Protection Project more competitive for federal funding.

During plan optimization, USACE determined that the preferred plan will need further evaluation and refinement to meet the requirements of their planning policies. USACE recommends extending the General Re-evaluation Study for approximately three years to complete the study.

As requested during the CIP Committee Meeting on February 18, 2025, staff has developed two alternatives for a locally funded flood protection project and has examined the potential to conduct an interim project while USACE continues their study. Staff has prepared a presentation for the CIP Committee's consideration (Attachment 1).

ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:

There are no environmental justice and equity impacts associated with this action.

File No.: 25-0552

Agenda Date: 7/31/2025
Item No.: 4.1.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Bhavani Yerrapotu, 408-630-2735



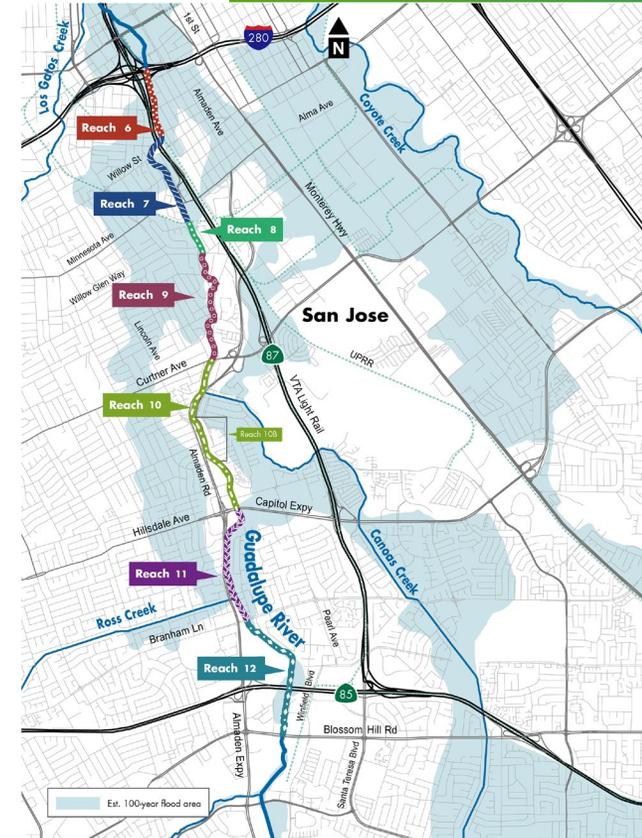
Upper Guadalupe River Flood Protection Project

Interstate 280 to Blossom Hill Road
Presenter: Bhavani Yerrapotu
Capital Improvement Program Committee - July 31, 2025

PURPOSE

Per the CIP Committee direction from the Feb. 18, 2025 meeting:

- Provide an update on the Upper Guadalupe River Flood Protection Project – Interstate 280 to Blossom Hill Road Project (Lead agency: U.S. Army Corps of Engineers (USACE)); and
- Review potential paths forward



OVERVIEW



Project Objectives



US Army Corps of Engineers
(USACE) Project



Upper Guadalupe Project History



Hydrologic Considerations



Alternate Project Options

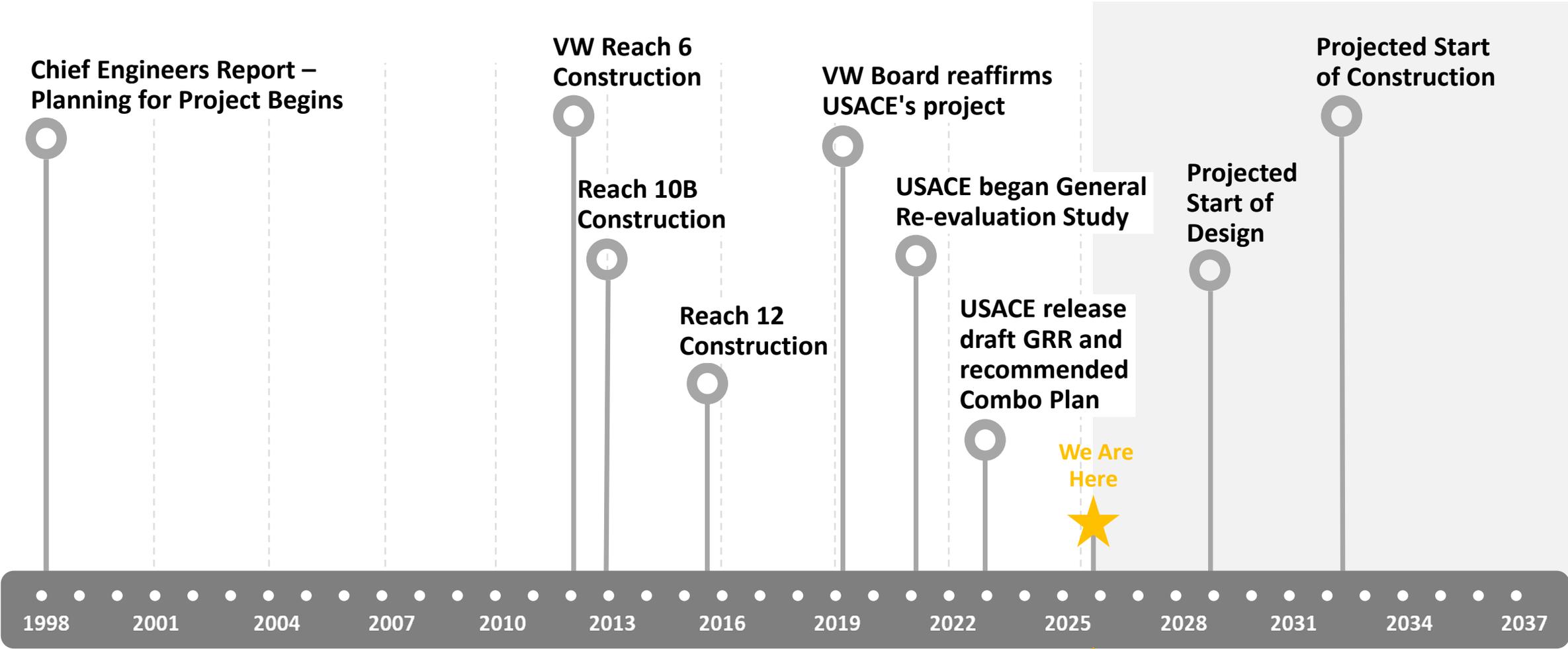


Next Steps

Project Objectives

- Design and construct improvements along 5.5 miles of channel extending from Interstate 280 to Blossom Hill Road.
- The project is funded under the Safe, Clean, Water and Natural Flood Protection Program (Priority E – Project E8)
- The Key Performance Indicators (KPIs) are as follows:
 - KPI #1 – With Federal and Local funding: Provide 1% (100-year) flood protection to 6,280 homes, 320 businesses and 10 schools and institutions.
 - KPI #2 – With Local funding only: Flood protection improvements along 4,100 feet between the Southern Pacific Railroad (SPRR) crossing, downstream of Willow Street, to the Union Pacific Railroad (UPRR) crossing, downstream of Padres Drive, and provide gravel augmentation along approximately 800 linear feet of the Upper Guadalupe River in San Jose. (Reach 7 – Provide 100-Year flood protection; Comply with Permit Requirements)

USACE Project



USACE Project - Plan

Current Recommended Plan: Alternative 8b Combination Plan

- CANOAS CREEK:**
- CANOAS/ALMADEN CULVERT REPLACEMENT
 - ALMADEN/NIGHTINGALE CULVERT REPLACEMENT
 - FLOOD WALL (+/- 4'-0" HIGH), BOTH SIDE OF CREEK, FROM ALMADEN RD TO KINGFISHER DR.

- REACH 9:**
- NO WORK HERE

- REACH 8:**
- SCOUR PROTECTION
 - MAINTENANCE ROAD
 - CHANNEL WIDENING
 - FLOODPLAIN BENCH
 - BRIDGE AND CULVERT REPLACEMENTS

- REACH 11:**
- NO WORK HERE

- REACH 12**
- THE FOLLOWING MITIGATION FEATURES HAVE BEEN CONSTRUCTED:
- RAISED BERM BETWEEN MAIN CHANNEL AND PERCOLATION PONDS
 - STREAMSIDE VEGETATION
 - LARGE WOOD DEBRIS STRUCTURES

- REACH 10A:**
- NO WORK HERE

- REACH 10C:**
- NO WORK HERE

- REACH 10B**
- THE FOLLOWING MITIGATION FEATURES HAVE BEEN CONSTRUCTED:
- LOW FLOW GEOMORPHIC CHANNEL
 - STREAMSIDE VEGETATION
 - LARGE WOOD DEBRIS STRUCTURES

- REACH 7:**
- MAINTENANCE ROAD
 - SCOUR PROTECTION

- ROSS CREEK:**
- ROSS/ALMADEN CULVERT REPLACEMENT
 - ROSS/CHERRY CULVERT REPLACEMENT
 - ROSS/JARVIS CULVERT REPLACEMENT
 - FLOOD WALL (+/- 4'-0" HIGH), BOTH SIDES OF CREEK

LEGEND:



CULVERT REPLACEMENT



BRIDGE EXTENSION



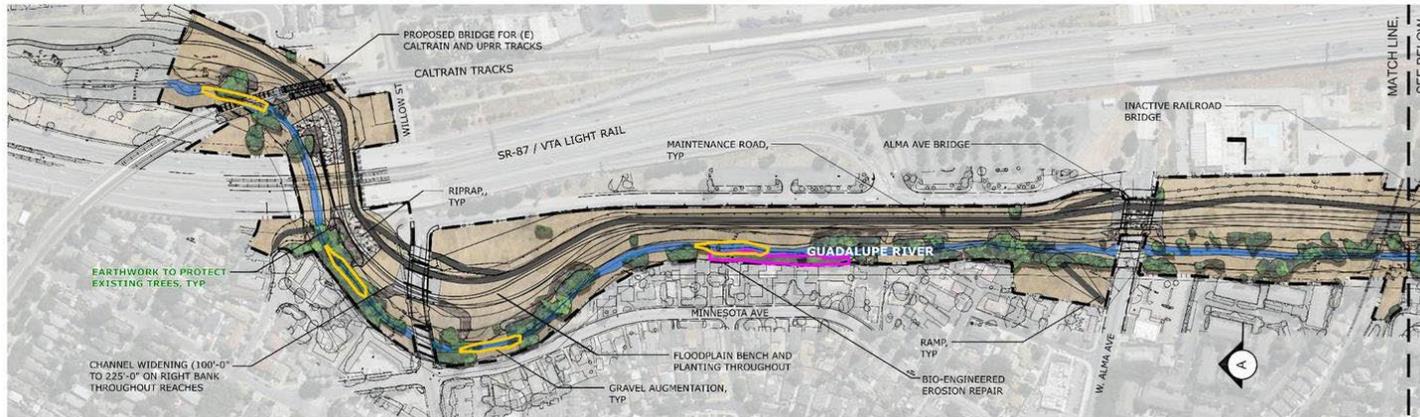
GRAVEL AUGMENTATION

USACE Project – Concept

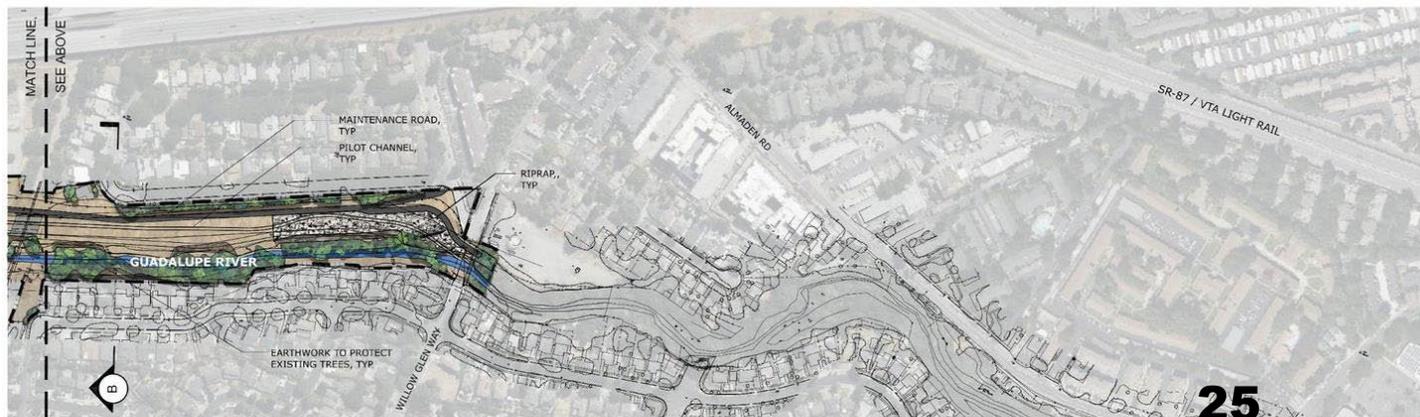
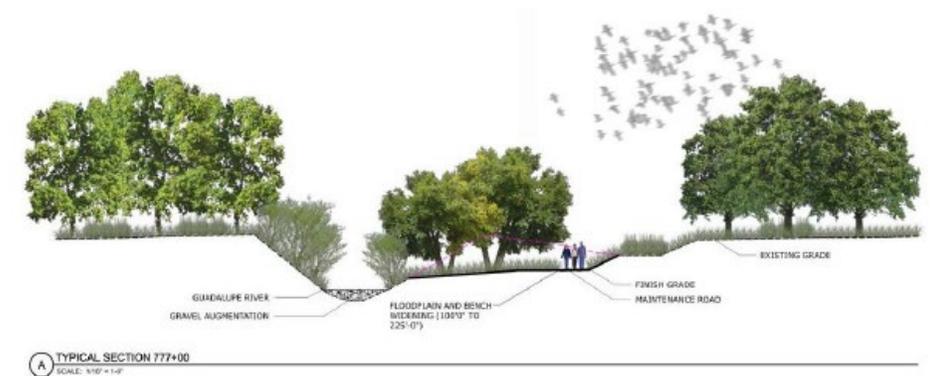
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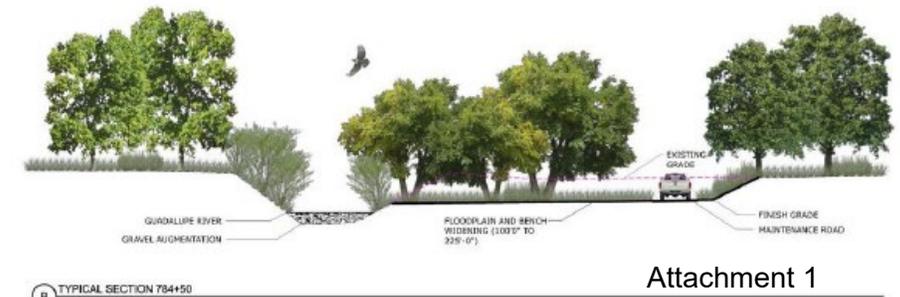
COMBO PLAN – ENGINEERING WITH NATURE FEATURES



PLAN - REACH 7

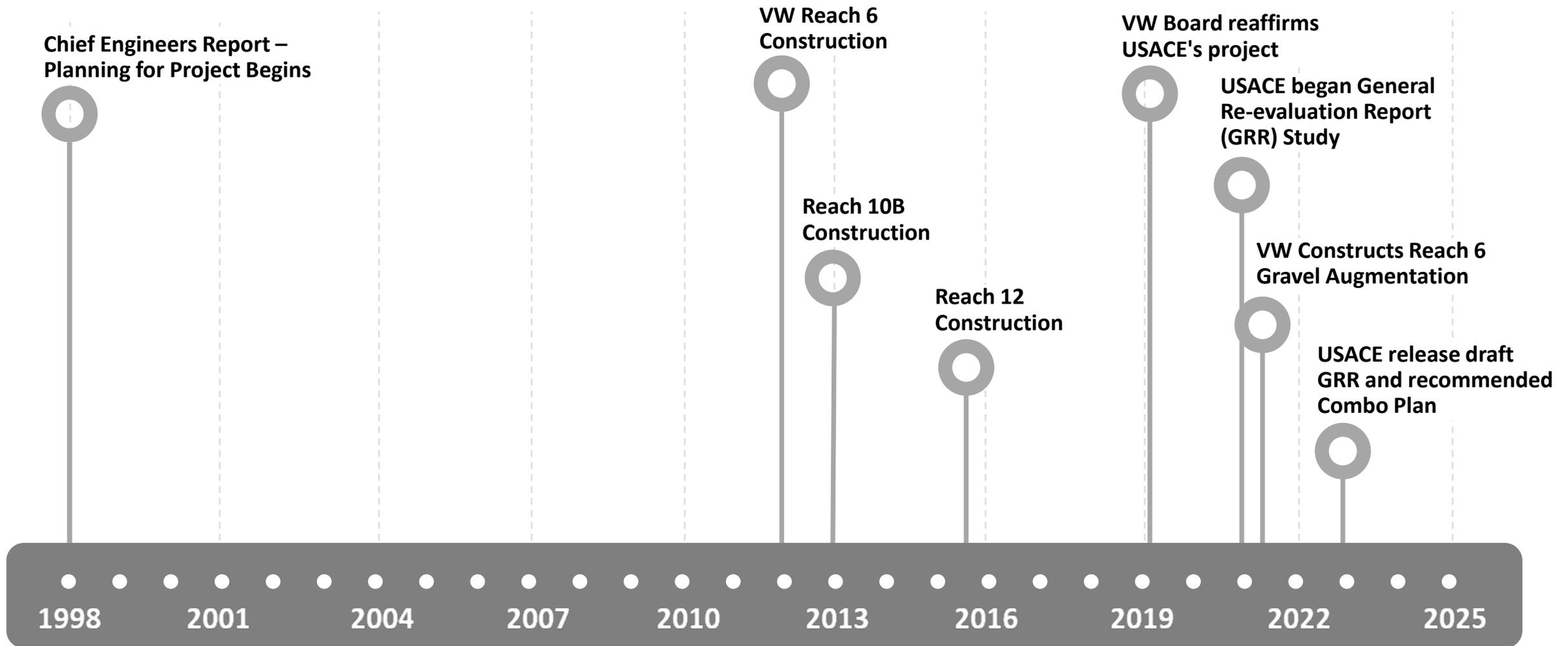


PLAN - REACH 8



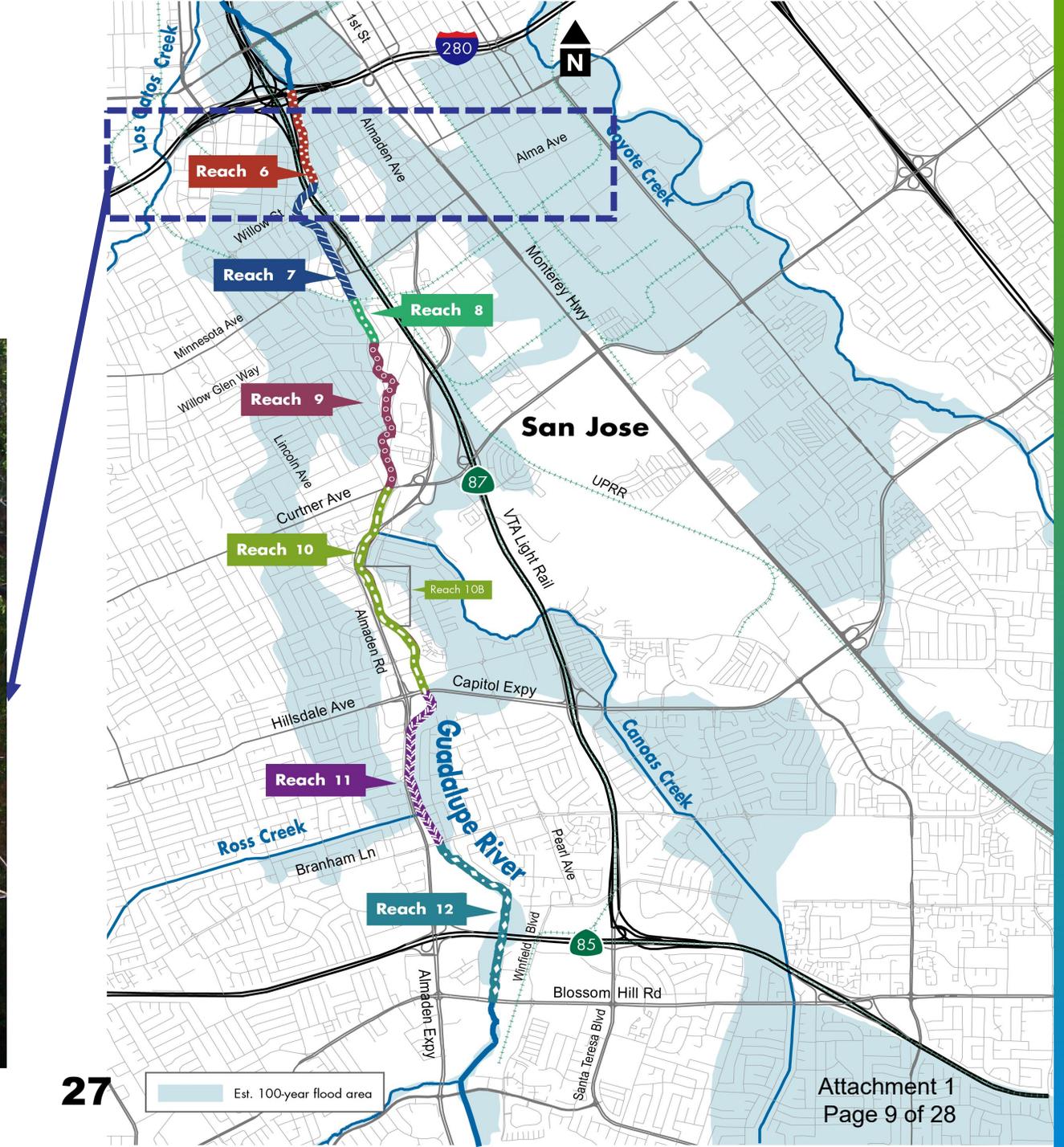
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History of Upper Guadalupe River Projects



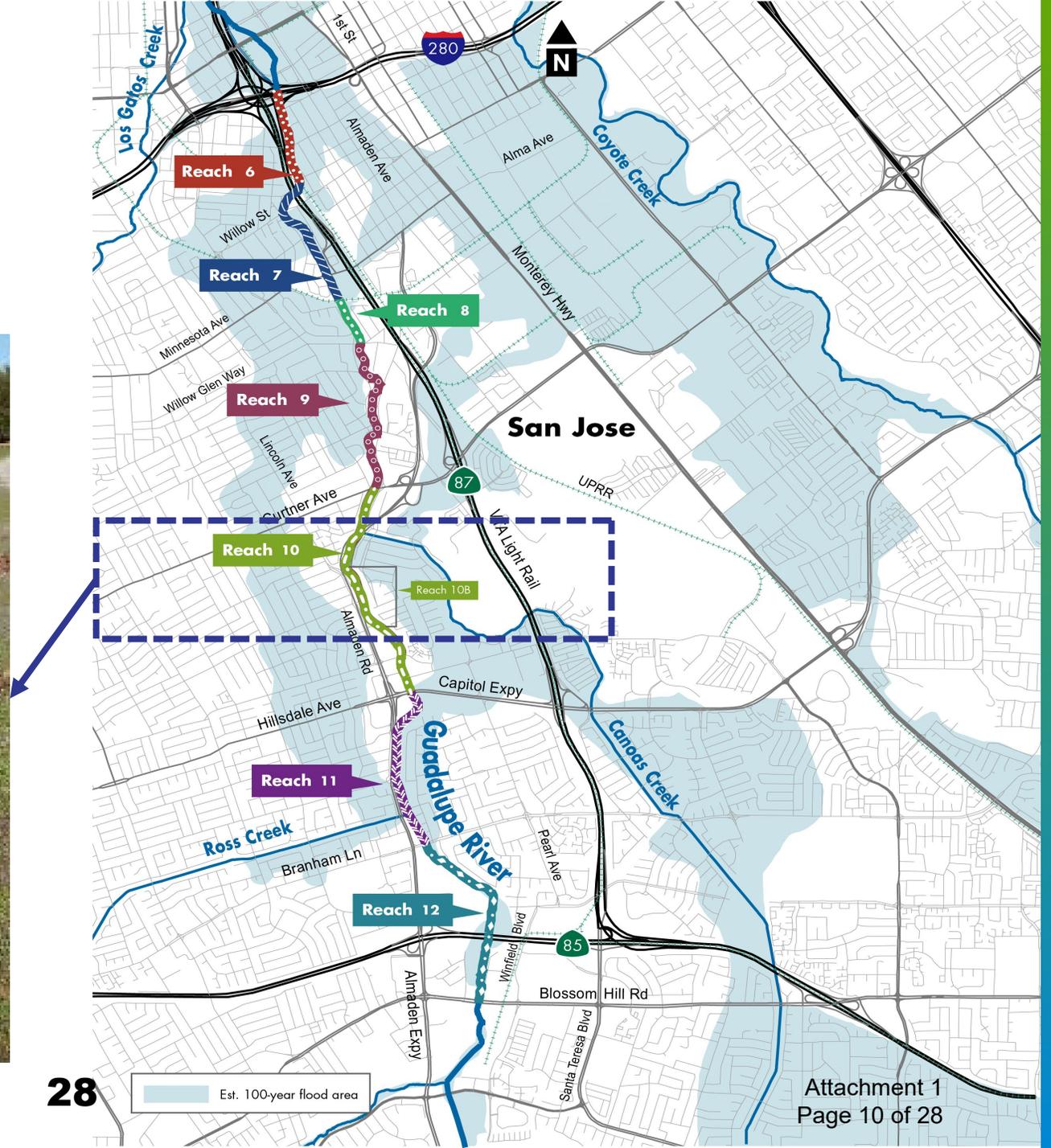
Project History – 2012

Channel widening
Reach 6 - \$10.7 M



Project History – 2013

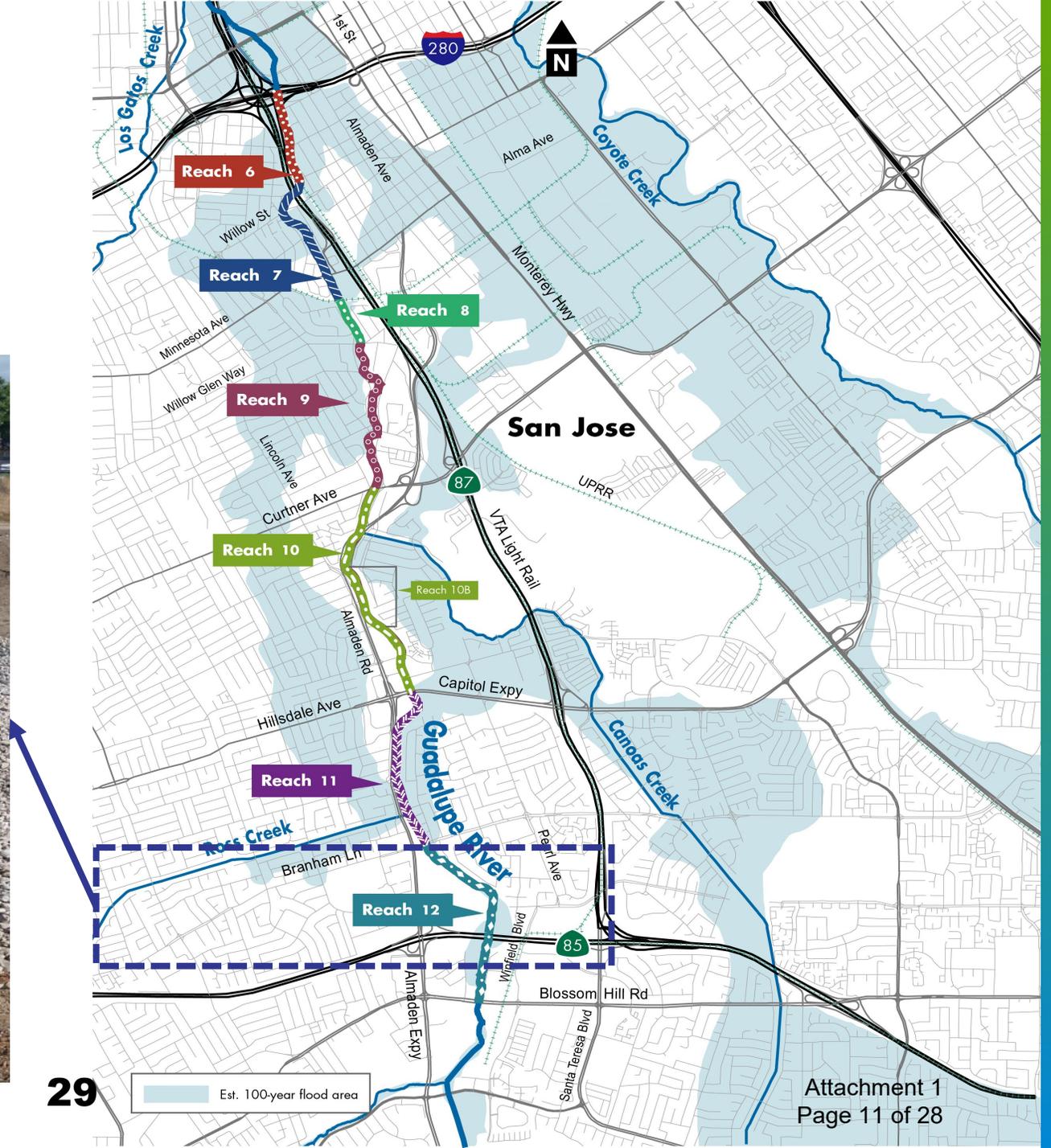
Mitigation planting
Reach 10B - \$1.8 M



Project History – 2015

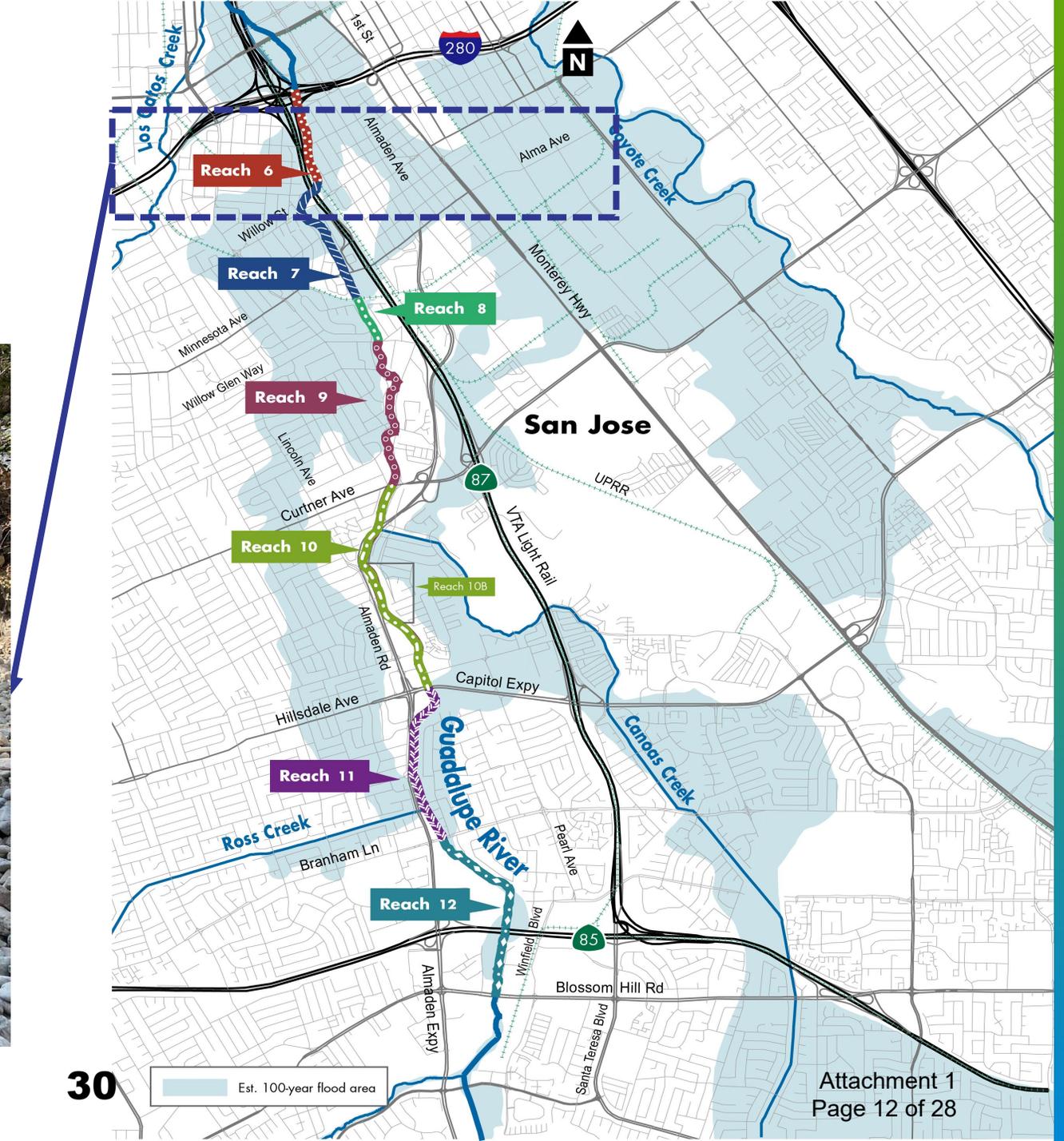
Levee raising

Reach 12 - \$11 M



Project History – 2021

Gravel augmentation
Reach 6 - \$0.7 M



Historical Project Costs

Reach	Construction Year	Elements	Construction Cost	USACE Share	VW Share
6	2012	Floodplain, new culvert, mitigation planting	\$10.7 M	-	\$10.7 M
10B	2013	Flattening creek bank, mitigation planting, gravel augmentation	\$1.8 M	\$0.9 M	\$0.9 M
12	2015	Raising levee, gravel augmentation, rootwad habitat, mitigation planting	\$11 M	\$5.5 M	\$5.5 M
6	2021	Gravel augmentation	\$0.7 M	-	\$0.7 M

Hydrologic Considerations

Induced Flooding

- Multiple breakout locations within the Project Limits.
- Proposed project will need to ensure flood risk is not transferred downstream.

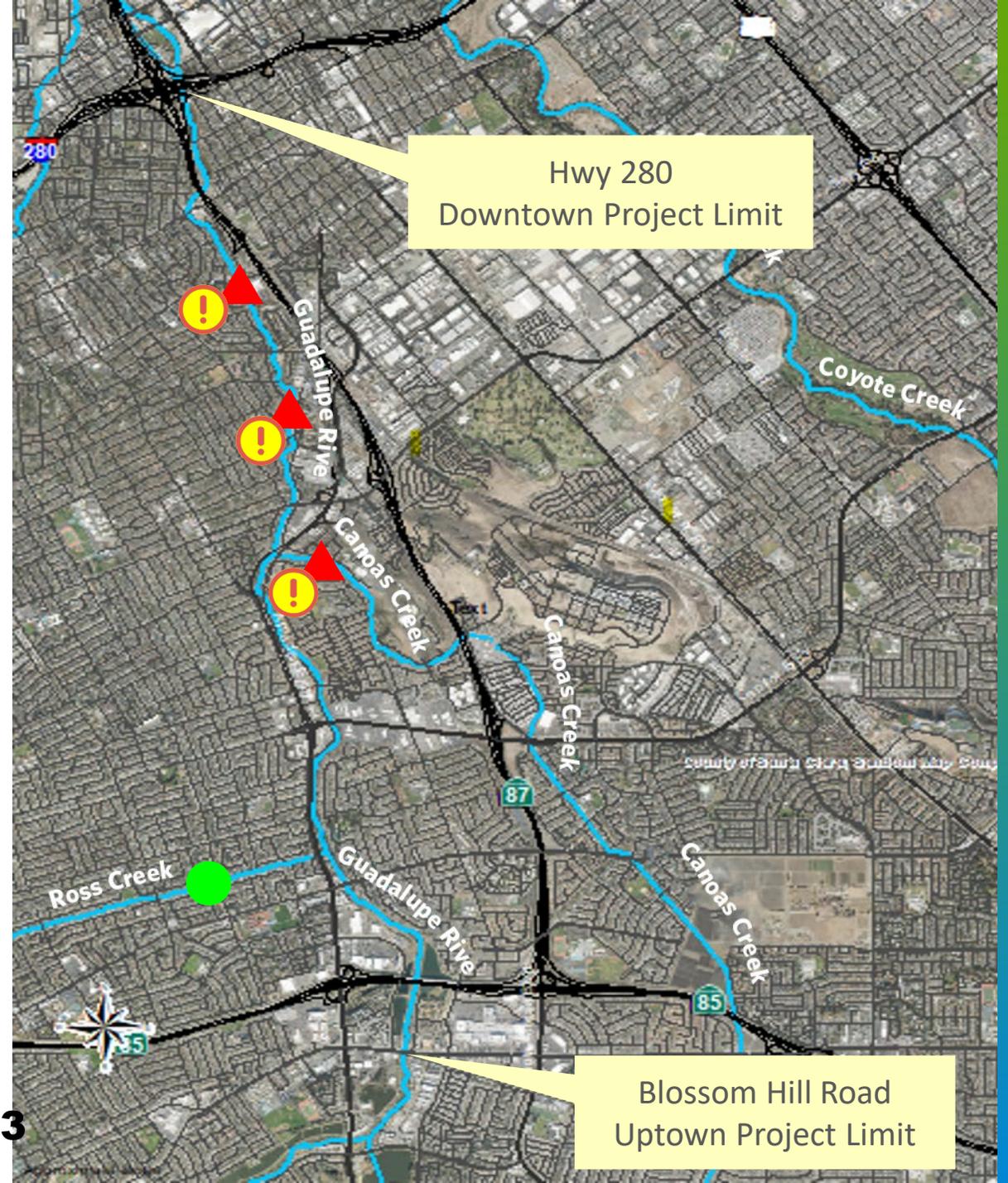
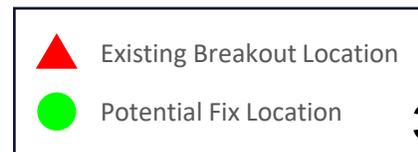


▲ Existing Breakout Location **32**

Hydrologic Considerations

Induced Flooding Example 1

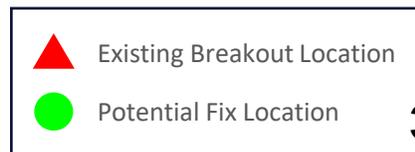
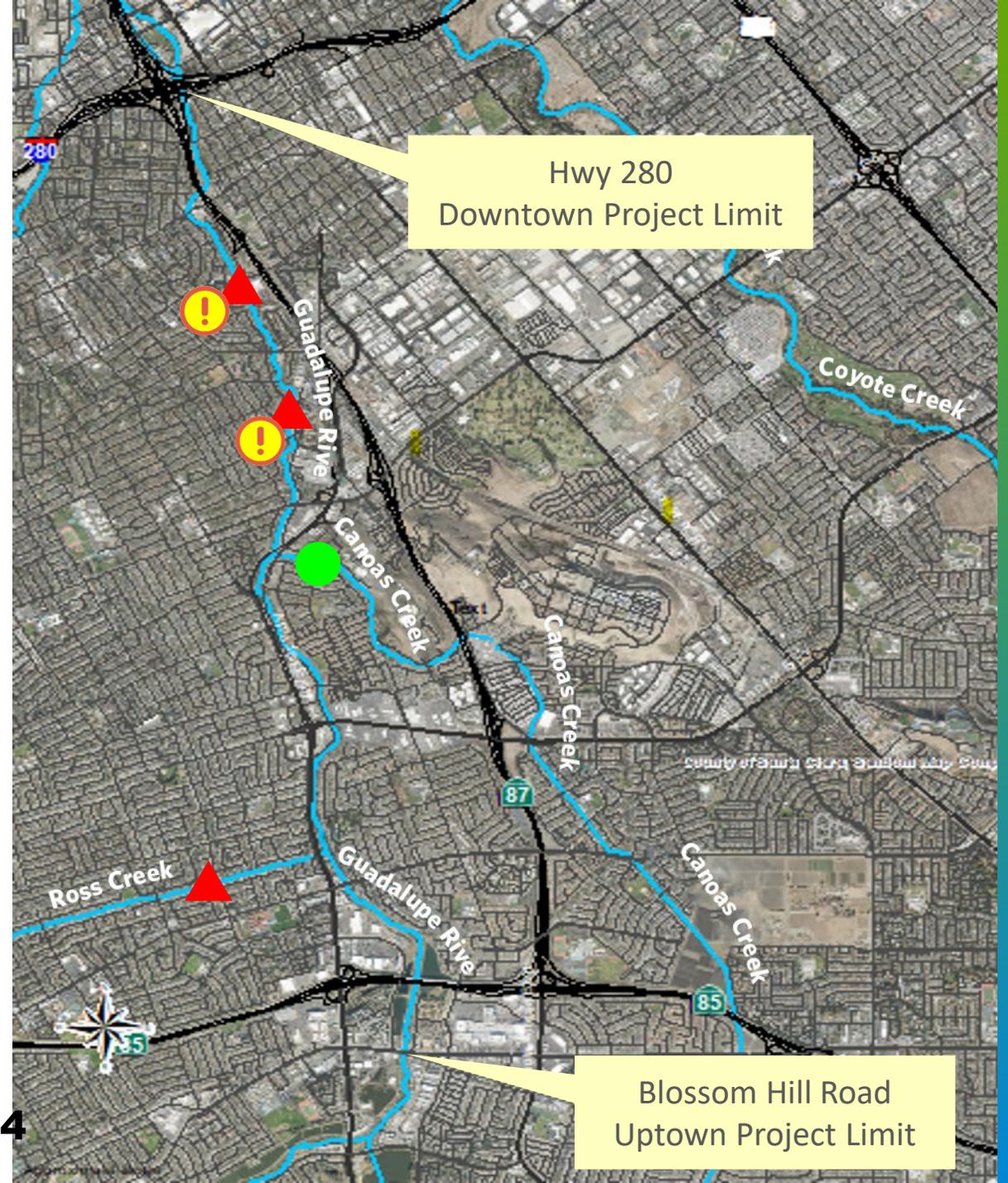
- Floodwalls confining flow in Ross Creek will deliver more flow downstream.
- More flow would:
 - Increase backwater at Canoas Creek.
 - Increase water level on Guadalupe River.



Hydrologic Considerations

Induced Flooding Example 2

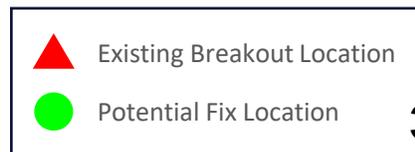
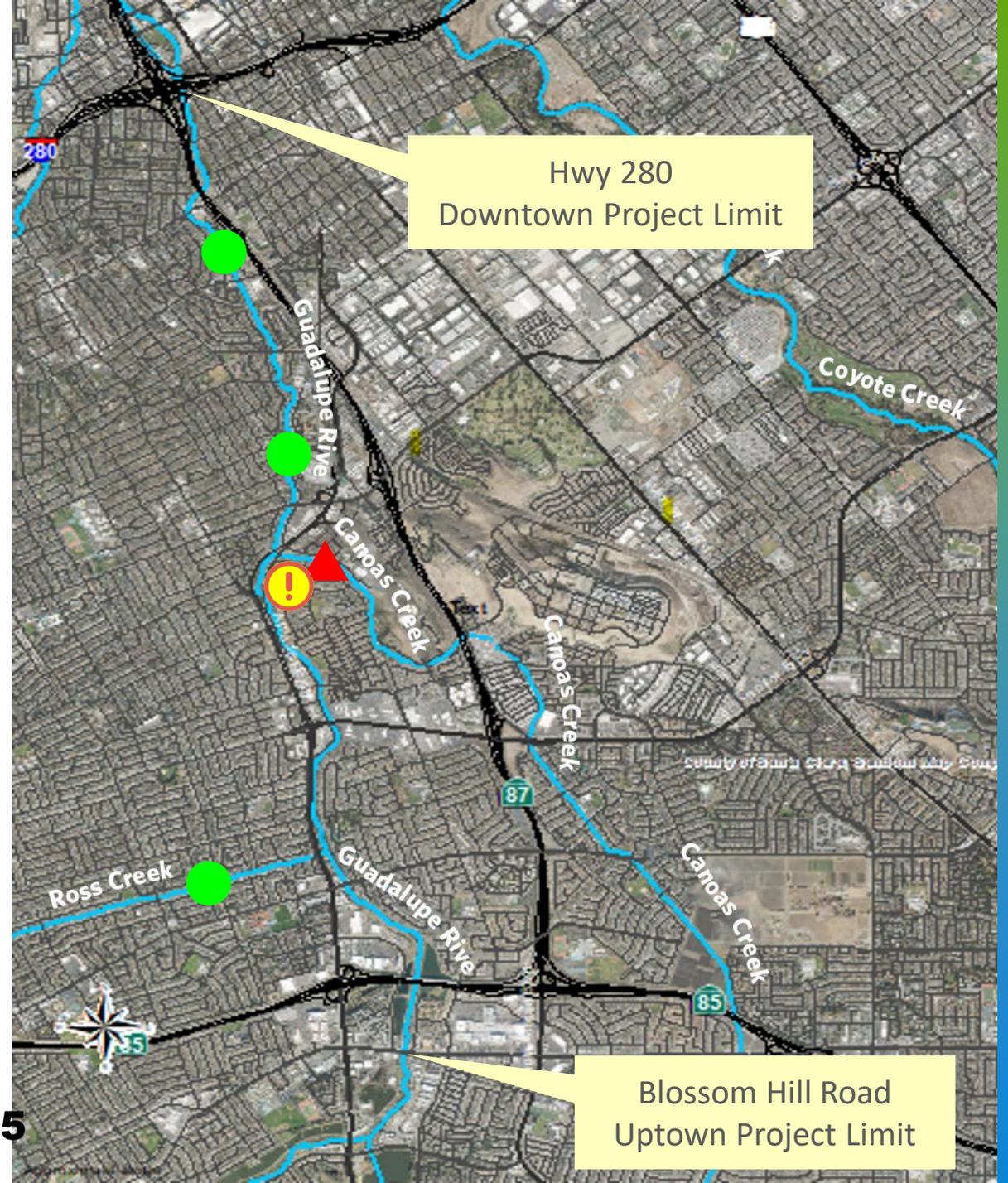
- Floodwalls confining flow in Canoas Creek will deliver more flow downstream.
- More flow would increase water level on Guadalupe River.



Hydrologic Considerations

Induced Flooding Example 3

- Improving Guadalupe River and Ross Creek would increase flow and water level on Guadalupe River at the Canoas Creek confluence, causing backwater into Canoas Creek.

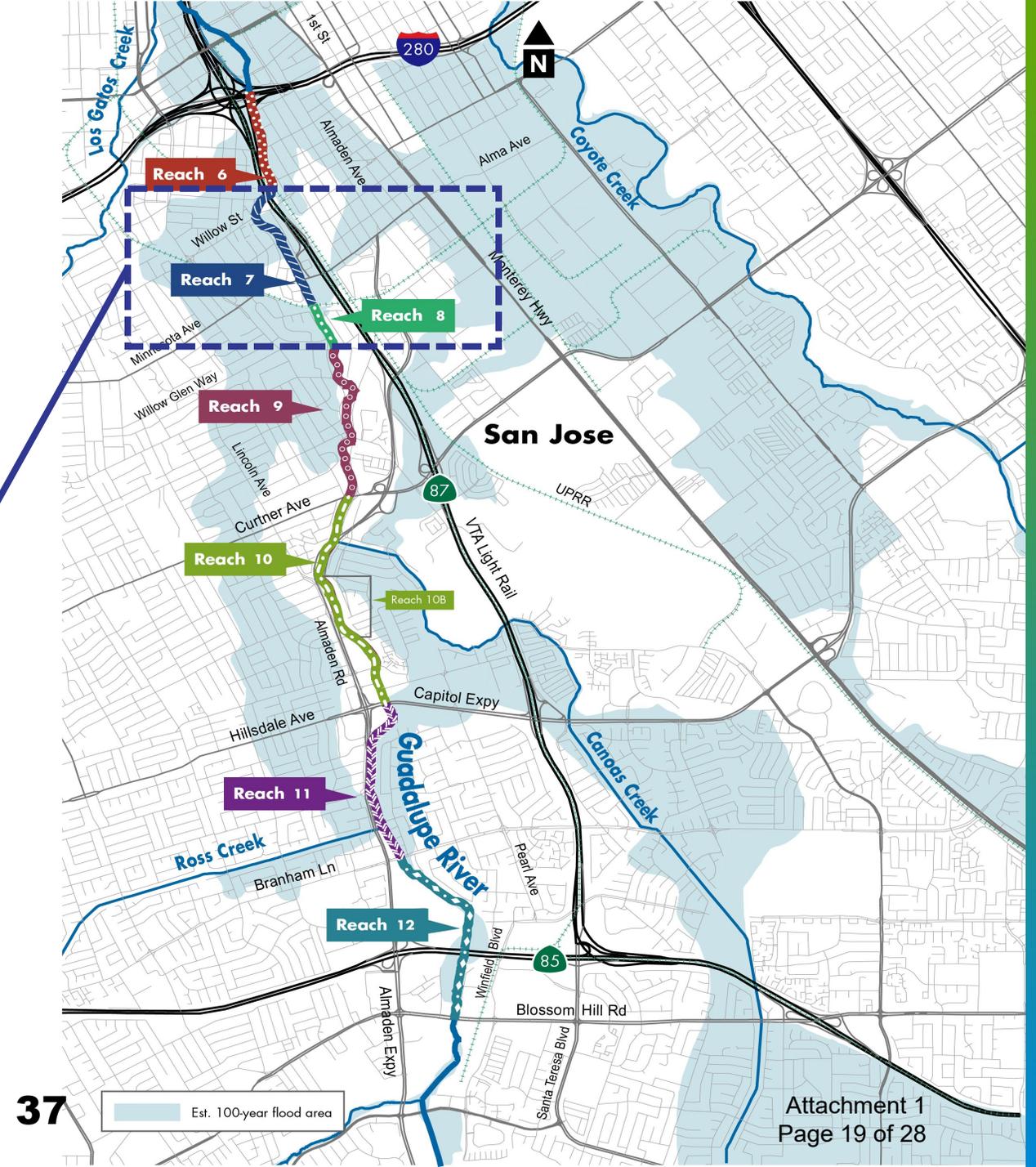
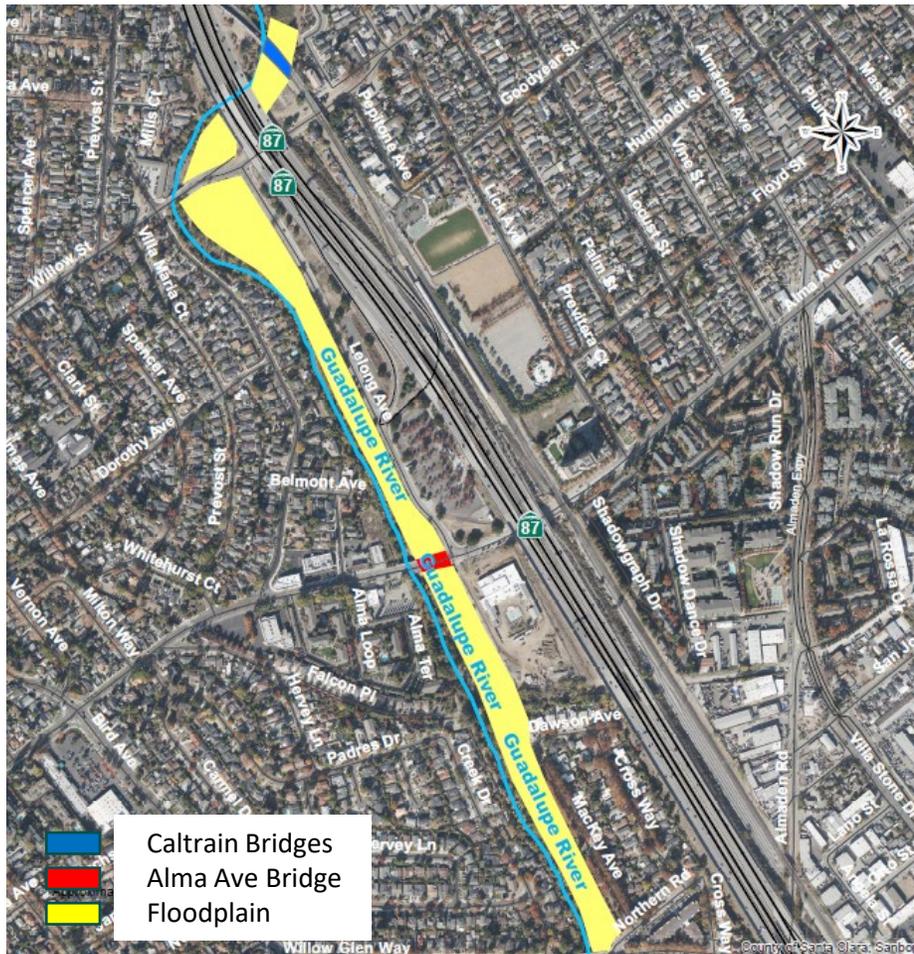


Alternate Project Options

Level of Flood Protection	Elements	Meets SCW KPI #2 ?
25 - Year	Floodplains, Bridge Extensions, new culverts and additional feet of floodwalls	No
50 - Year	Larger Floodplains, additional extensions and culverts, and longer and taller floodwalls	No

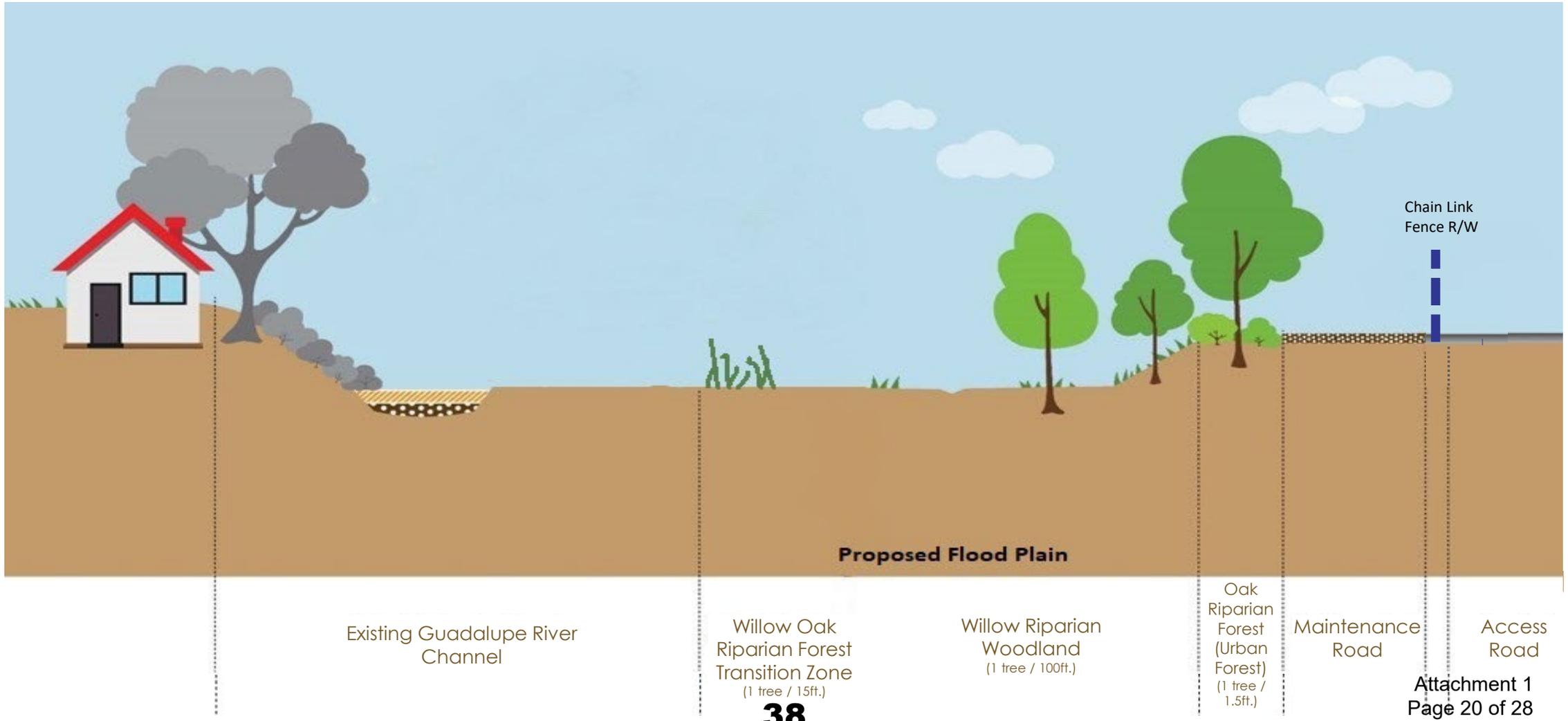
Interim Project Options 25-Year Level of Flood Protection

Upper Guadalupe River Reaches 7 & 8



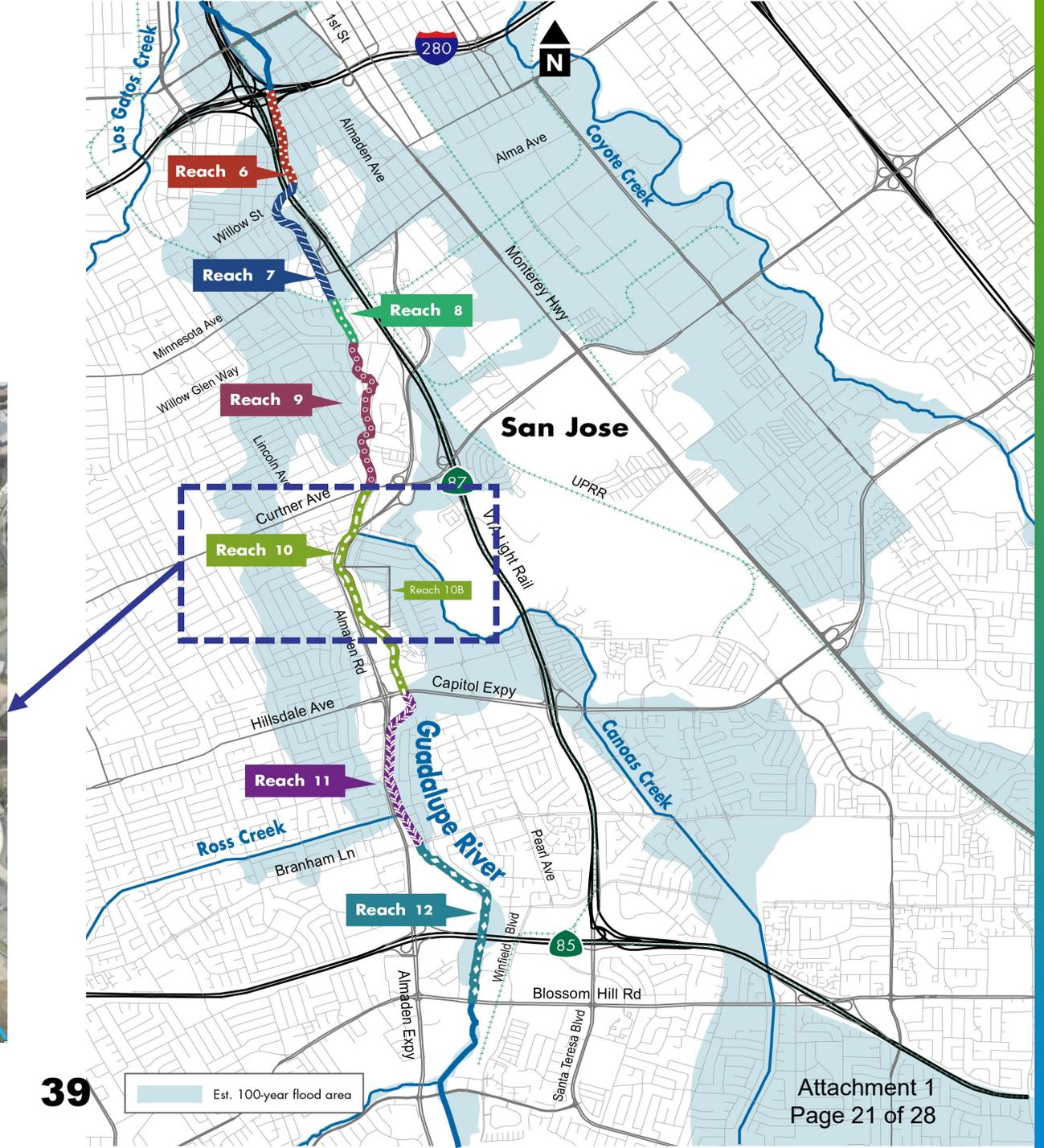
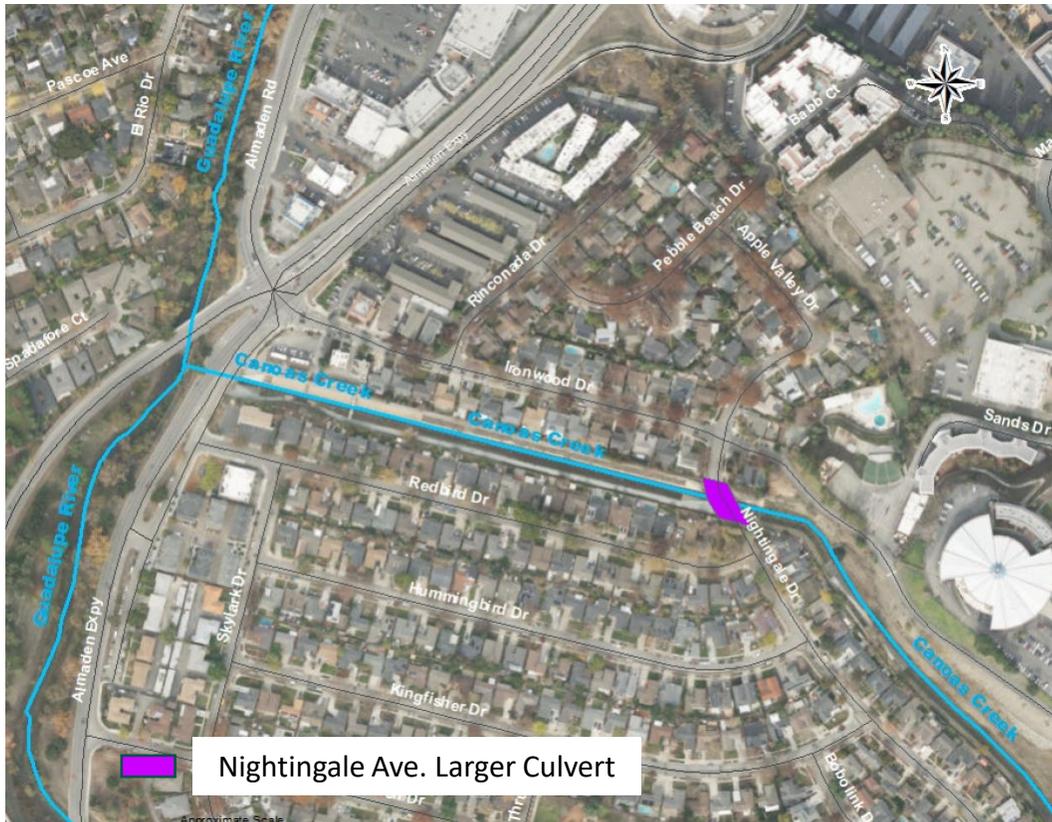
Interim Project Options

Reaches 7 & 8 Floodplain and Vegetation Planting Area



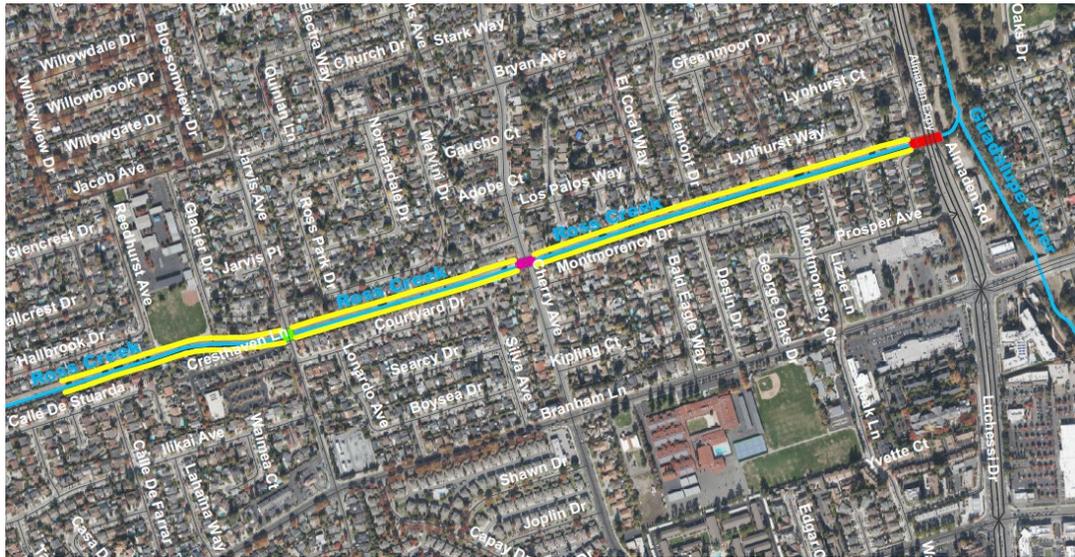
Interim Project Options 25-Year Level of Flood Protection

Upper Guadalupe River Canoas Creek

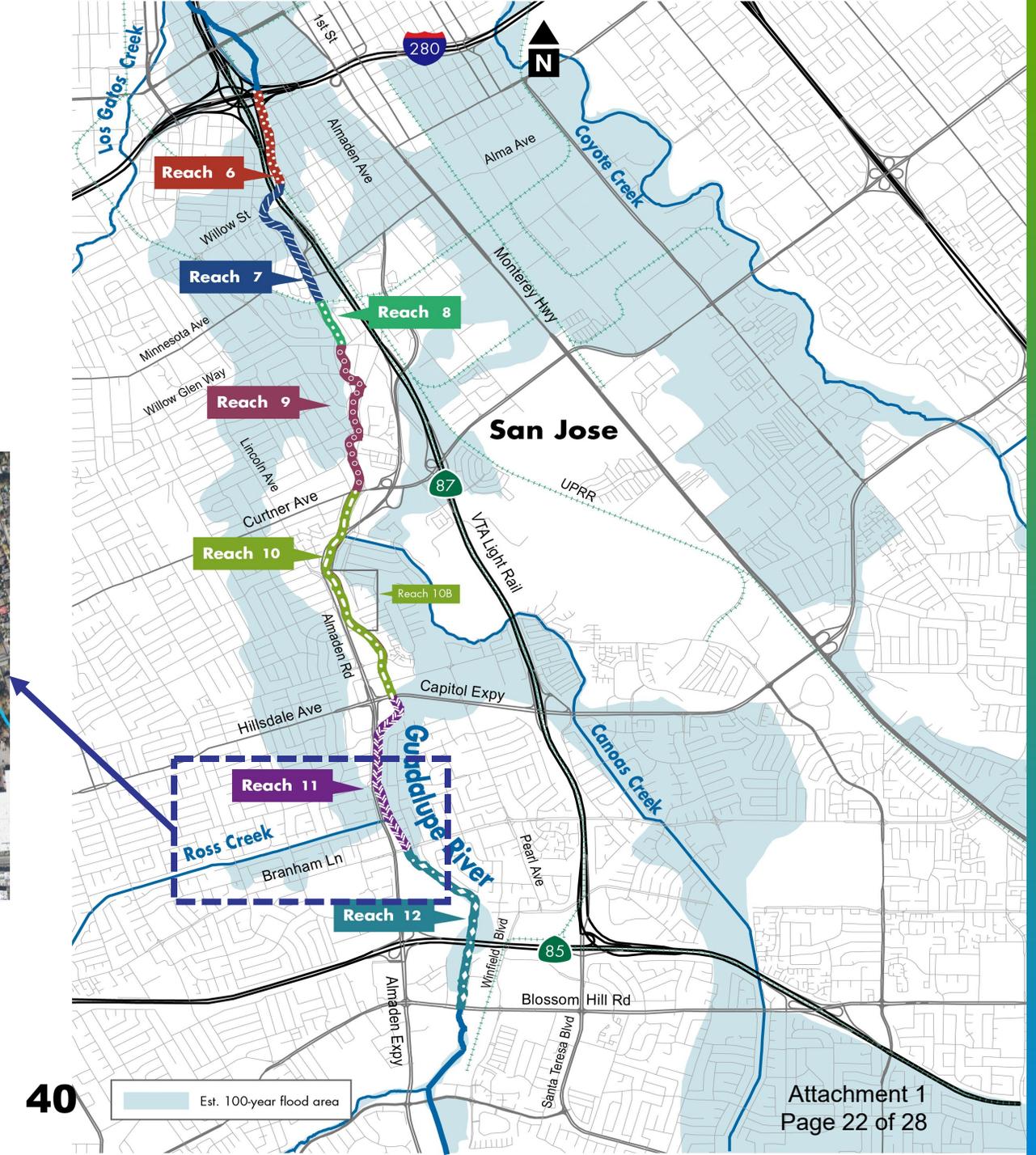


Interim Project Options 25-Year Level of Flood Protection

Ross Creek – 50 – Year Protection



- Cherry Ave - Larger culvert
- Almaden Expressway – Larger Culvert
- Jarvis Ave – Larger Culvert
- Floodwalls



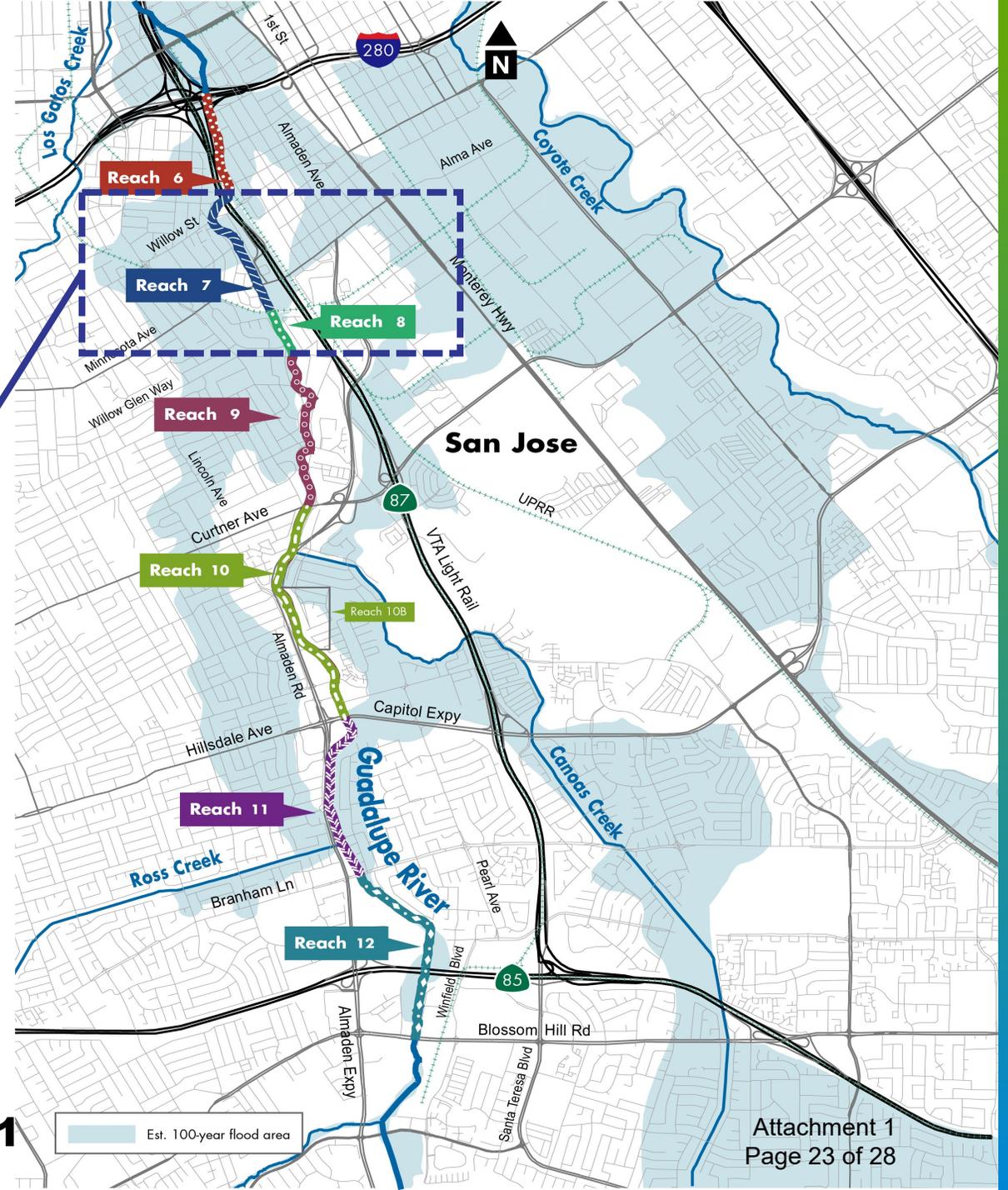
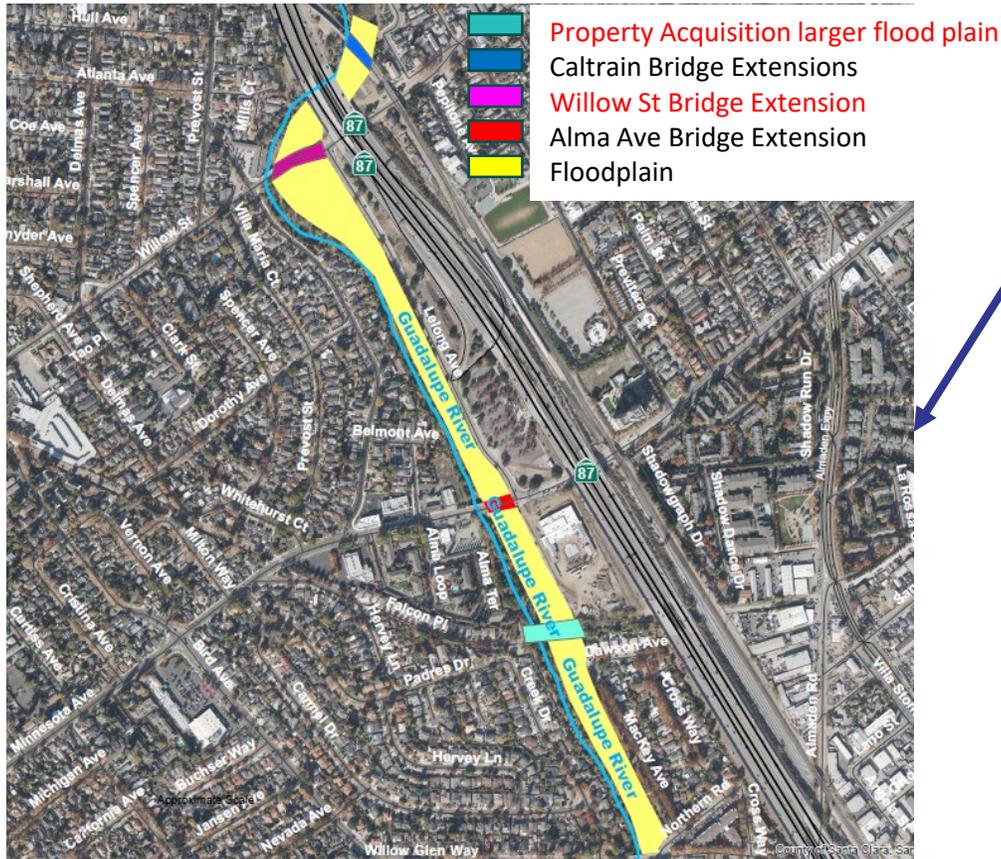
40

Est. 100-year flood area

Interim Project Options

50-Year Level of Flood Protection

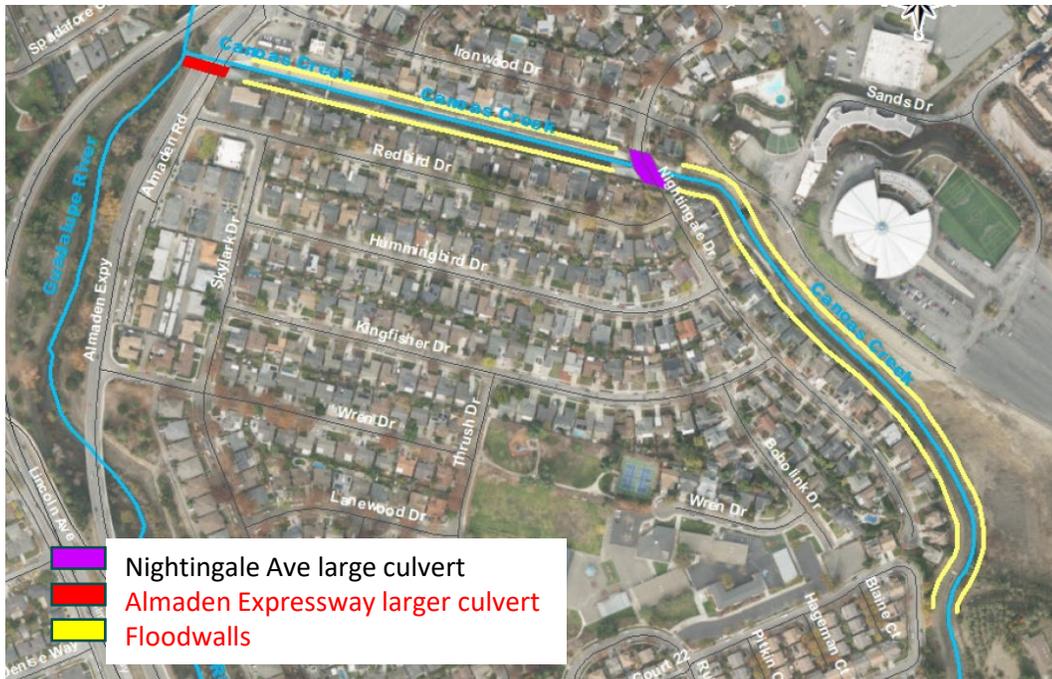
Upper Guadalupe River Reaches 7 & 8



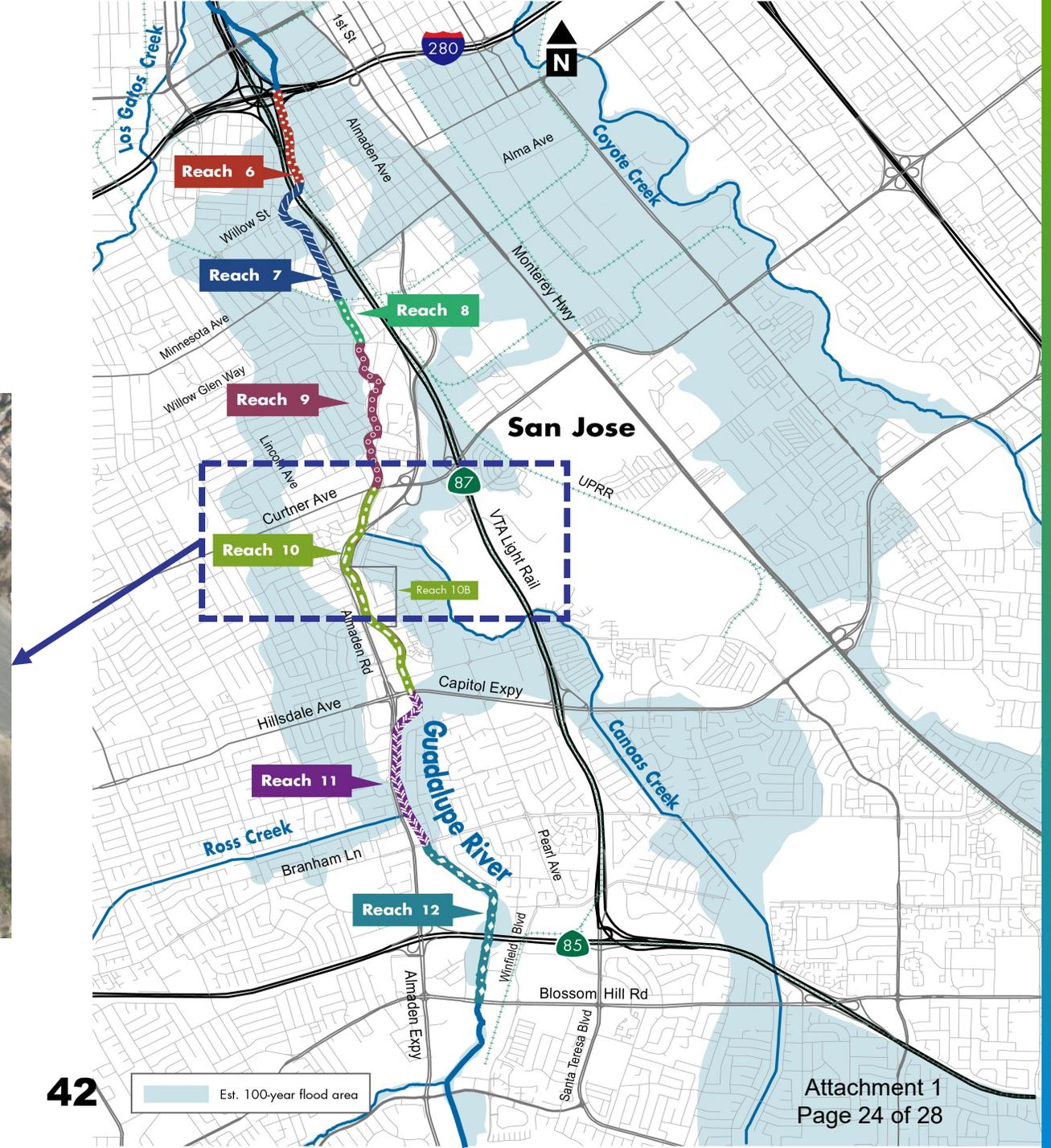
* Black text denotes elements included in 25-year Option.
 Red text denotes additional elements added for 50-year Option.

Interim Project Options 50-Year Level of Flood Protection

Canoas Creek



* Black text denotes elements included in 25-year Option.
 Red text denotes additional elements added for 50-year Option.

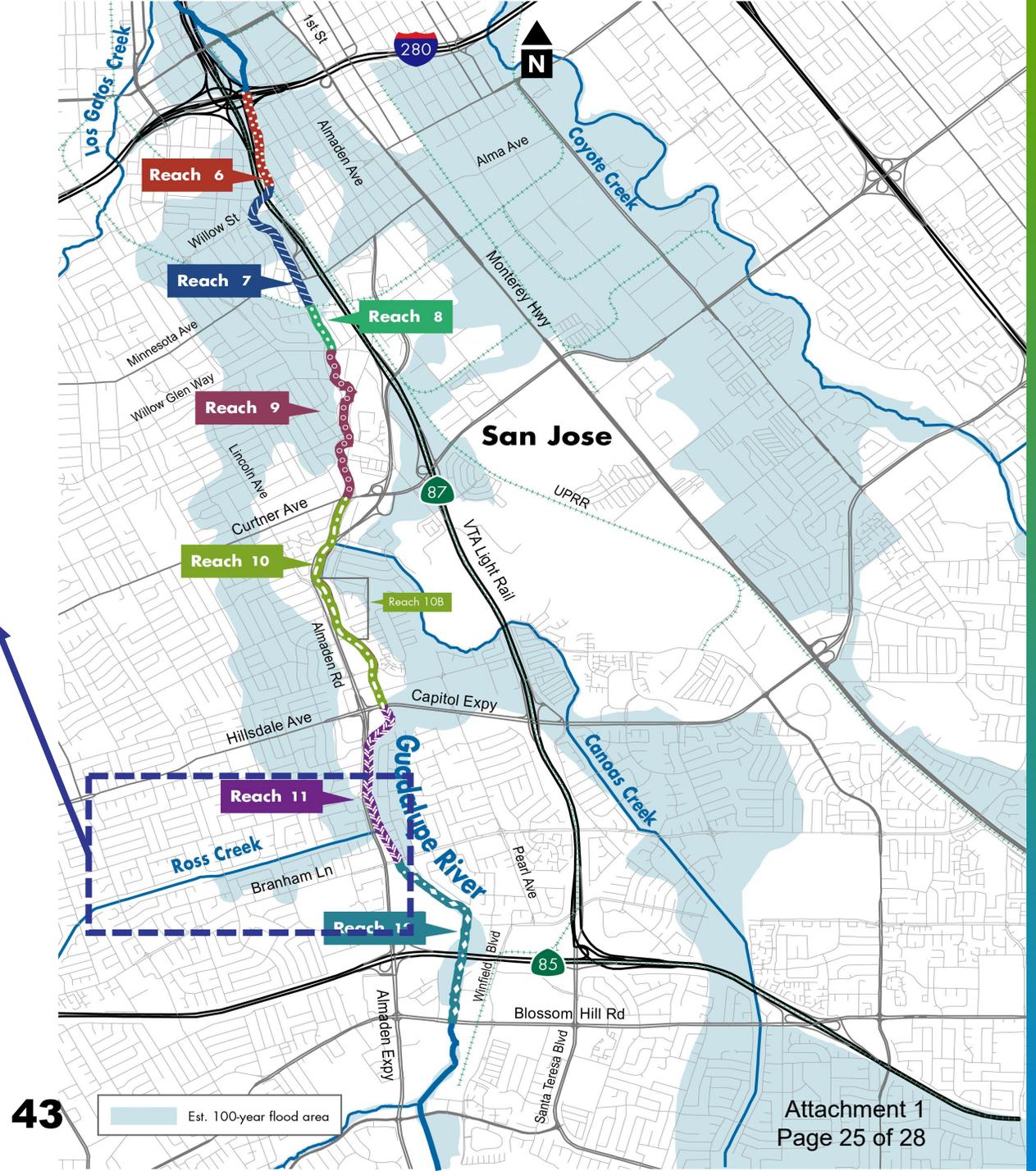


Interim Project Options 50-Year Level of Flood Protection

Ross Creek – 25-Year and 50-Year



* Ross creek elements for both options provide 50-year protection to account for mitigation of induced flooding



Project Options

Project Options	Elements	Estimated remaining VW Costs	Estimated USACE Costs ¹
USACE Project (50 - Year)	Channel widening, bridge extensions, new culverts, floodwalls	\$15.8 M ²	\$119 ² M
25 - Year	Floodplains, Bridge Extensions, new culverts and additional feet of floodwalls	\$72.1 M ³	-
50 - Year	Larger Floodplains, additional extensions and culverts, and longer and taller floodwalls	\$100.4 M ³	-

1. Per USACE project scope and costs presented as of July 2024; Will change because of further refinement of project scope.
2. VW previously purchased property accounts for a large share of our cost share contribution, thus reducing remaining contributions.
3. Rough order of magnitude costs in 2025 dollars developed for the purposes of this presentation – needs additional feasibility analysis and development of project scope

Next Steps

- Continue working with USACE on General Re-evaluation Report
 - Potential for 100-Year flood protection
 - Updated Costs and BCR September 2025
- Update CIP committee as needed
- August 2025 Special Board Strategic Planning Session





Valley Water

Clean Water • Healthy Environment • Flood Protection



Santa Clara Valley Water District

File No.: 25-0569

Agenda Date: 7/31/2025

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM Capital Improvement Program Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive Report on Procurement Elements and Contracting Approach for the Anderson Dam Seismic Retrofit Project (ADSRP), Project No. 91864005.

RECOMMENDATION:

Receive report on the construction contractor prequalification process, best value bid selection criteria, sole source construction materials, contract retention, and proposed liquidated damages and incentive approach for ADSRP.

SUMMARY:

In alignment with Valley Water's procurement authority under California Public Contract Code Section 21163, and the Board's approval of the Best Value Procurement method on October 8, 2024 the Anderson Dam Seismic Retrofit Project (ADSRP) construction contractor will be selected on the basis of Best Value. This provision specifically authorizes Valley Water to evaluate construction bids for ADSRP using both price and non-price factors such as contractor qualifications, technical capabilities, and past performance, rather than awarding solely based on the lowest bid.

The purpose of this agenda item is to provide an overview of key elements related to the procurement process for ADSRP. It includes a summary of the current construction contractor prequalification process, an overview of the best value evaluation criteria, a review of sole source construction materials, construction contract retention, and the proposed use of liquidated damages and incentive to ensure timely delivery of critical milestones for ADSRP. These items are presented to inform the Committee about the procurement process, ahead of the Board considering the authorization to advertise the plans and specifications for ADSRP.

1. Construction Contractor Prequalification

Staff completed the Construction Contractor Prequalification phase, the first step in the two-step Best Value procurement process for ADSRP. This process began with the Capital Improvement Program (CIP) Committee's support for the Request for Prequalification Application (RFPA) and Best Value contractor selection methodology on September 16, 2024. The Board approved this approach on

October 8, 2024, and the RFPA was subsequently released through Valley Water's online bidding portal PlanetBids on December 2, 2024.

Extensive industry outreach followed to ensure broad awareness and participation through PlanetBids, with outreach going out to the following:

- 2,014 entities
 - 822 small and disadvantaged businesses
 - 271 local and regional firms
 - 26 plan rooms and chambers of commerce

The RFPA was also distributed to the Santa Clara and San Benito Counties Building and Construction Trades Council, reaching an additional 500 contractors and 70 union representatives. The Industry Day, a pre-advertisement event hosted by Valley Water for contractors to learn about the project, was published in the American Society of Civil Engineers, the American Water Works Association, and the Beavers - an organization managed by heavy engineering construction companies. Sixty contractors attended the Industry Day on October 18, 2024, and fifty attended the Prequalification Conference on December 18, 2024. By the close of the RFPA period, 91 firms had registered as planholders in PlanetBids.

Applications were evaluated through a pass/fail process that considered both financial capacity and three core technical qualifications:

- Dam construction experience on projects exceeding \$150 million, with at least one embankment dam over 50 feet (since 2000);
- Tunnel construction experience in weak rock or mixed ground using drill-and-blast methods; and
- Demonstrated management of public infrastructure projects valued at \$500 million or more.

The nine-member evaluation committee included scoring members and subject matter experts in engineering, finance, and risk/insurance. Full application submissions were received on February 19, 2025, from the following firms:

- Barnard Construction Company (Bozeman, MT)
- Flatiron West Inc. - Sukut Construction, LLC Joint Venture (Concord, CA)
- Kiewit Infrastructure West Company (Fairfield, CA)

Following technical and financial review, reference checks, and internal approvals, Valley Water finalized and published the list of prequalified contractors on May 29, 2025. All three applicants met the established criteria and are invited to proceed to the next stage of procurement.

2. Best Value Evaluation Criteria

To support a balanced contractor selection process for ADSRP and comply with the statutory requirements, the procurement process will implement an evaluation model that integrates both technical and cost considerations. Given the project's complexity and public safety significance, the evaluation criteria are structured to prioritize contractor qualifications, technical approach, and risk management capabilities, while maintaining price competitiveness. The Best Value evaluation model for ADSRP will use a 60% weighting for Technical Submittal and 40% for Price Submittal.

Technical Evaluation (60 pts):

- Covers approaches to management, scheduling risk, dam, outlet works, and spillway.
- Management also includes safety, environmental, and quality aspects.

These elements are scored using adjectival ratings (Exceptional to Unsatisfactory), which are then converted to numeric scores that are summed up, ensuring that a perfect score cannot exceed 60 points.

Price Evaluation (40 pts):

- The lowest price proposal receives the full 40 points.
- Other price proposals receive proportionally reduced scores based on deviation from the lowest bid.

This weighting aligns with other major California public agencies (such as the Santa Clara Valley Transportation Authority, San Francisco Public Utilities Commission, and San Francisco Municipal Transportation Agency) for large-scale infrastructure projects.

3. Sole Source Justification for Temporary Spillway

The Anderson Dam Seismic Retrofit Project involves the removal and reconstruction of most of the existing embankment dam with a new, well-compacted zoned embankment, along with the construction of new low-level and high-level outlets to meet DSOD emergency evacuation requirements. The project also includes the removal, replacement, and extension of the concrete spillway to accommodate the probable maximum flood, as well as other dam improvements. Upon completion, Anderson Reservoir will be restored to its original storage capacity. During the five-year construction period, the spillway will be temporarily unavailable, increasing flood risk. To mitigate this, a series of four temporary spillways will be constructed and subsequently removed each year to ensure safe stormwater passage and reduce downstream risk during the winter seasons.

The only option that meets the design, constructability, and schedule requirements for the temporary spillways on the Anderson Dam Seismic Retrofit Project is Shoreblock EPEC SD-900 OCT. Alternative materials, such as roller-compacted concrete (RCC), were evaluated but found to be unsuitable due to longer construction timelines, increased waste, and incompatibility with the construction sequence; therefore, the Project intends to use Shoreblock EPEC SD-900 OCT, an articulated concrete block (ACB) system, as the only approved material for building and removing temporary spillways during the winterization phases of ADSRP.

Key reasons for this sole source include:

- Shoreblock has been tested and confirmed in flume/physical models.
- Shoreblock’s performance has been reviewed and approved by the Board of Consultants, FERC, and DSOD.
- Shoreblock is licensed exclusively to Premier Concrete Products Inc. and Contech Engineered Solutions.
- Shoreblock system offers removable, rapidly deployable erosion protection essential during winter.

4. Progress Payment Retention

In accordance with California Public Contract Code Section 7201, Valley Water’s standard construction contracts include a 5% retention from each payment to the contractor. This amount is withheld until the project is completed and accepted, and it serves as a financial incentive for the contractor to satisfactorily complete all work, including punch list items and closeout documentation.

Section 7201 sets the default retention cap at 5% for public entities but allows for a higher retention amount if the agency makes a finding during a properly noticed public meeting that the project is “substantially complex” and requires additional retention to ensure performance.

Although the Anderson Dam Seismic Retrofit Project (ADSRP) is a highly complex and large-scale public safety project, staff proposes to maintain the standard 5% retention on all progress payments made to the contractor. This retention approach aligns with industry norms for projects of similar scale and complexity and is considered sufficient to protect Valley Water’s interests while ensuring continued contractor performance through project completion.

5. Liquidated Damages and Incentive Structure

To promote on-time completion of critical construction milestones and minimize flood risk associated with schedule delays, staff is proposing a structured liquidated damages and incentive framework for ADSRP.

Failure to achieve the two key milestones, Completion of the Upstream Diversion Tunnel and Completion of Stage 1B Interim Dam, will be subject to liquidated damages of \$25 million. These milestones are schedule-sensitive, and failure to meet the completion deadline results in a one-year delay due to seasonal constraints. The \$25 million figure reflects anticipated environmental mitigation and monitoring costs that would be incurred during an additional year of dewatering and site impact.

Staff is also proposing a \$25 million incentive for the early completion of the Stage 2B Interim Dam. The purpose of this incentive is to encourage early and timely completion of this critical milestone for public safety and flood risk reduction. The incentive is structured to drive contractor performance and ensure this milestone is prioritized without triggering adversarial claims.

Next Steps

As part of the upcoming Board action on ADSRP, staff will recommend that the Board:

1. Authorize the advertisement of the construction contract to the prequalified contractors, who will be invited to submit both a Technical Proposal and a Price Proposal in accordance with the Best Value procurement process; and
2. Approve a sole-source designation for the acquisition of temporary spillway materials necessary for project execution.

ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:

These actions support Valley Water's mission to provide safe, reliable infrastructure for all communities. The integrity and timely execution of ADSRP safeguards regional water supply and flood safety.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Tony Ndah, 408-630-2208

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Anderson Dam Seismic Retrofit Project Construction Contractor Procurement Update

Presented by: **Tony Ndah**, Deputy Administrative Officer
Capital Improvement Program Committee - July 31, 2025

Agenda

1. Procurement Approach
2. Contractor Prequalification
3. Best Value Selection Criteria
4. Sole Source Construction Material
5. Construction Contract Retention
6. Liquidated Damages and Incentives
7. Next Steps

Procurement Approach

Best Value Procurement Method (per Public Contract Code §21163)

1. Evaluates bids using both price and non-price criteria.
2. Allows selection based on qualifications, past performance, and technical capabilities.
3. Tailored to support complex, public safety infrastructure projects such as ADSRP.

Contractor Prequalification

Prequalification Criteria

Contractor prequalification phase used to identify contractors with the financial strength, management capability, and technical expertise required to safely execute the project.

Prequalification criteria focused on:

- 1. Embankment dam experience:** Experience delivering embankment dam projects valued at over \$150 million with at least one dam exceeding 50 feet.
- 2. Tunnel construction experience:** Experience constructing tunnels in weak rock or mixed ground using drill-and-blast methods.
- 3. Public infrastructure contracts:** Experience managing public infrastructure contracts valued at over \$500 million.

Contractor Prequalification – *Cont.*

Outreach Efforts and Participation

Outreach Efforts

1. Industry Day held on October 18, 2024
2. Postings in industry magazines
3. Request for Proposals issued on December 2, 2024 via PlanetBids
4. Outreach to trade councils representing 500+ contractors and 70 union reps
5. Prequalification Conference held December 18, 2024

Participation

1. 2,014 total entities notified
2. 822 small and disadvantaged businesses
3. 271 local and regional firms
4. 26 plan rooms and chambers of commerce
5. 91 planholders registered
6. 3 contractor applications received by the February 19, 2025 due date

Contractor Prequalification – *Cont.*

Evaluation Outcome

1. Nine-member evaluation committee with expertise in engineering, finance, insurance (Five scoring and four Subject Matter Experts)
2. Three contractors submitted full applications:
 - A. **Barnard Construction Company (Bozeman, MT)**
 - B. **Flatiron West–Sukut Joint Venture (Concord, CA)**
 - C. **Kiewit Infrastructure West Co. (Fairfield, CA)**
3. Submittals were assessed based on objective pass/fail criteria. All firms met pass/fail criteria and were prequalified
4. Final list of prequalified contractors posted to PlanetBids on May 29, 2025

Best Value Evaluation

Technical Proposal: 60 Points

- A. Management and risk approach
- B. Safety, quality, and environmental strategies
- C. Construction methods for dam, outlet works, and spillway

Price Proposal: 40 Points

- A. Lowest bidder receives full score (40 pts)
- B. Others scaled proportionally

Sole Source Construction Material

Permanent spillway will be offline during construction, increasing flood risk. Seasonal temporary spillways are required to safely convey stormwater and protect downstream areas during wet weather. Public Contract Code §3400(c)(3) allows designation of sole source products where a finding is made that the item is necessary for the project and available only from one source.

1. Product: Shoreblock EPEC SD-900 OCT (articulated concrete block system)
2. Justification:
 - A. Only option meeting schedule, safety, and removal requirements
 - B. Validated through physical modeling
 - C. Approved by Board of Consultants, FERC, and DSOD
 - D. Licensed exclusively to Premier Concrete Products & Contech

Construction Contract Retention

1. Default retention per Public Contract Code §7201: **5% of progress payments**
2. ADSRP is complex, but staff propose maintaining the standard 5% retention
3. Approach is consistent with industry norms and sufficient to protect project interests

Liquidated Damages and Incentives

Use of targeted liquidated damages and a performance-based incentive to ensure the timely completion of critical safety-driven milestones on the project.

- A. Enforce timely completion of critical milestones to reduce flood risk and minimize costly delays.
- B. Liquidated Damages reflect real environmental and public safety risks of delayed completion.
- C. Incentive helps avoid schedule slip without triggering claims or disputes.

Liquidated Damages

- A. \$25M LD for failure to achieve two key milestones:
 - 1. Completion of the upstream diversion tunnel
 - 2. Completion of Stage 1B Interim Dam
- B. Based on cost impacts of 1-year schedule delays.

Incentives

- A. \$25M bonus for early completion of Stage 2B Interim Dam
- B. Recommended as a performance driver for the most critical milestone.

Staff Recommendation and Timeline

1. Future Board Action Requests:

- A. Approve contract for Construction Management Services; NTE \$180 million
- B. Authorize advertisement of construction contract to prequalified contractors
- C. Approve sole source procurement for temporary spillway material

2. Procurement Timeline:

Milestone Sequence	Duration
Advertise Construction Contract → Technical Proposal Submission	5 months
Technical Proposal Submission → Bid Price Submission	3 months
Bid Price Submission → Contract Award	1 month

A photograph of a tunnel interior. The walls are dark and textured, possibly concrete or rock. The floor is wet and reflective, with visible tire tracks. Several cables or hoses are suspended from the ceiling, creating a wavy pattern across the frame. The lighting is dim, with some brighter spots on the floor and walls.

Questions?



Santa Clara Valley Water District

File No.: 25-0655

Agenda Date: 7/31/2025

Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM Capital Improvement Program Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive Information Relating to Valley Water's Consultant Agreement Amendment and Construction Contract Change Order Protocols and Staff's Response to Concerns Relating to the Costs for the Anderson Dam Projects.

RECOMMENDATION:

Receive Information Relating to Valley Water's Consultant Agreement Amendment and Construction Contract Change Order Protocols and Staff's Response to Concerns Relating to the Costs for the Anderson Dam Projects.

SUMMARY:

As described in more details below, Anderson Dam Projects include the Anderson Dam Seismic Retrofit Project (ADSRP) and the Federal Energy Regulatory Commission (FERC) Order Compliance Projects (FOCP).

At the June 16 and June 25, 2025 CIP Committee (Committee) meetings, questions and concerns regarding changes to construction contracts (change orders) and consultant agreements (amendments) for the Anderson Dam Tunnel Project (ADTP) were raised. Those discussions prompted broader questions about how Valley Water manages its consultants and contractors to ensure that professional services are delivered, and projects are constructed, on schedule and within budget.

Committee Chair Hsueh prepared a memorandum (Attachment 1) that captures the following questions/concerns from the Committee:

- I. How are consultant agreement amendments and construction contract change orders initiated, negotiated, and managed at Valley Water?
- II. Why has ADTP required more consultant agreement amendments and construction contract change orders than typical Valley Water projects?
- III. What has contributed to the substantial cost increase for the collection of Anderson Dam Projects?

To support the discussion of the three topics above at the July 31, 2025 Committee meeting, staff has prepared a detailed response and a PowerPoint presentation (Attachment 3).

I. Changes to Consultant Agreements and Construction Contracts

A. Consultant Agreement Amendments

Consistent with Government Code Section 4526, Valley Water's Board adopted Ordinance No. 04-01 to govern the procurement of professional services (e.g., architectural, engineering, land surveying, and related services). This ordinance mandates a qualifications-based selection process for professional services. Generally, selection is based on demonstrated competence, qualifications, and fair pricing, while also ensuring maximum participation of small businesses.

Valley Water generally retains consultants to support planning, design, and construction management phases of its large-scale capital projects and consultant agreements are required for such purposes. Because the planning and design phases can be fluid, consultant agreements for these services are often amended. For instance, amendments might be required if there's a need to clarify expectations as the planning and design phases evolve, or to expand or reduce the scope of services in which case the consultant's agreement's not-to-exceed amount may need to be adjusted. Also, shifts in the schedule due to unexpected delays may also require amendments. Other common reasons for amendments include changes in key personnel or extensions of the agreement's expiration date. The foregoing factors are particularly common in complex projects such as the ADTP.

Valley Water's protocol for initiating, negotiating, and managing amendments to consultant agreements is implemented by the Purchasing and Consultant Services Unit (referred to as contract compliance staff in this memorandum). When an amendment to a consultant agreement is deemed necessary, whether initiated by Valley Water or at the consultant's request, the project team, in coordination with contract compliance staff in the Procurement Unit, evaluates the justification, scope changes, level of effort, and budget impacts of the proposed amendment. Scope and fee negotiations are conducted to ensure fairness, alignment with project needs, and compliance with contractual and policy requirements. Once negotiations are finalized, the amendment is formalized following internal review and approval protocols.

It is important to note that project managers and contract compliance staff play crucial roles in managing consultant agreements throughout the term of a contract. Project managers are responsible for monitoring the consultant's performance, documenting any deficiencies, and evaluating the consultant's performance on an annual basis, at a minimum, for multi-year agreements and upon the conclusion of a contract. They ensure that services are delivered in accordance with contract terms. When a project manager determines that there is an unresolved ongoing performance concern with a consultant, they are encouraged to notify contract compliance staff, who will work with the project manager to address the performance deficiencies. If performance concerns remain unresolved, contract compliance staff will work with the project manager, Office of the District Counsel, and other key stakeholders to lead a notice-to-cure process with the consultant.

While it occurs only rarely, Valley Water may exercise its right to terminate a contract if the consultant fails to rectify the identified deficiencies.

B. Construction Contract Change Orders

Unlike professional consultants who are selected based on qualifications, Valley Water's standard practice for awarding public works construction contracts exceeding \$50,000 is to the "lowest responsive, responsible bidder." This approach, outlined in Public Contract Code Section 21161, dictates that the construction contract is awarded to the bidder offering the lowest price who also meets all solicitation requirements and is deemed capable of performing the work.¹

During construction, modifications to the planned work may become necessary due to unforeseen field conditions, variations in estimated quantities, or other issues (e.g., differing site conditions encountered during tunneling) warranting a deviation from the original plans and specifications. These modifications to the construction contract are executed as change orders that may adjust the contract price and/or construction schedule.

When a construction contract is awarded, the Board typically approves a contingency amount while also setting forth monetary limits for future change orders that various management levels can authorize, known as delegation approval authority. Change orders require Board review and approval if they exceed either the CEO's delegated authority or the total contingency amount approved by the Board.

Valley Water has a change order process² for approving revisions to capital project construction contracts, including changes to scope, schedule, or costs. The change order process was recently updated to implement recommendations from a 2019 audit conducted by Tap International at the directive of the full Board. The following key enhancements to the change order process were implemented after the 2019 audit to improve accountability, transparency, and cost containment:

- *Independent Cost Estimates (ICE)*: All change orders require an ICE. If staff authority or expertise is exceeded, an external ICE is required.
- *"High Risk" Project Definition*: Projects over \$100 million or those with significant assessed risk are designated as "high risk."
- *Change Control Board (CCB)*: Established for high-risk projects, the CCB involves a tiered staff approval structure to review proposed changes.
- *Project Steering Committee*: Executive management assigns this committee for high-value/high-risk projects. It may include internal and external experts and receive legal advice as needed.

¹ However, for the Anderson Dam Project, including all related avoidance, minimization, and mitigation measures, Valley Water is authorized by Public Contract Code Section 21163 to award construction contracts based on "best value." This "best value" method, which considers both price and qualifications, represents a specific deviation from the standard low-bid requirement under Public Contract Code Section 21161, reflecting the significant complexity and critical importance of the Anderson Dam projects.

² Construction Manual (2024), Section 9, Change Orders.

Valley Water’s change order process requires all requests for change orders to be submitted to the appropriate approval authority based on Board’s prior delegation and supported by a memorandum detailing the following:

- Description and justification for the change
- Financial impact and compensation method
- Project status and schedule implications
- Time extension justification and method
- Any third-party or internal concurrent delays

When the need for a potential change is identified, whether the request is initiated by Valley Water or the contractor, staff follows a process to evaluate whether a change order is warranted and, if so, determine and negotiate the scope, schedule, and price of the changes. Before submitting a supporting memorandum seeking approval to issue a change order, the project manager consults with the project team, including Valley Water’s construction manager. After receiving input from project team members, the construction manager evaluates whether the change order is warranted and, if so, performs a cost analysis and negotiates terms with the contractor. A potential change order will then be presented to staff (including the project manager), and, if recommended for approval, presented to the appropriate designated authority.

As described above, when a change order is approved, the amount of the change order will be drawn from the total contingency amount approved by the Board when it awarded the construction contract. During the Board’s review of the Capital Improvement Program’s FY 2024-28 Five-Year Plan, a board member questioned whether reducing our customary construction contract contingencies (e.g., from 15% to 10%) would result in cost savings. While the question is valid, available data (see Table 1 and Table 2) and staff experience suggest there is no direct correlation between a lower contingency percentage and actual cost savings. More importantly, based on the analysis of capital construction projects (both including and excluding FOCP, as referenced in Table 1 and Table 2, respectively) for the period between December 2017 and June 2025, on average, Valley Water completed construction projects without exceeding the approved contingency amounts. The tables below show the detailed results of the analysis.

**Table 1: Capital Improvement Program Project Contingency Results Summary
12-17-2017 to 6-30-2025
(Excluding FOCP)**

Capital Construction Projects*	Contingency Approved (Average)	Contingency Spent (Average)
Completed (37 Projects)	12%	5%
Nearing Completion**/Plant Establishment (7 Projects)	18%	10%
Construction (7 Projects)	12%	TBD
All Construction Projects (51)	13%	TBD

* Excludes FOCP.

** Projects nearing completion are planned for completion of public works within the calendar year.

**Table 2: Capital Improvement Program Project Contingency Results Summary
12-17-2017 to 6-30-2025
(Including FOCP)**

Capital Construction Projects*	Contingency Approved (Average)	Contingency Spent (Average)
Completed (39 Projects)	12%	5%
Nearing Completion**/Plant Establishment (9 Projects)	27%	11%
Construction (8 Projects)	17%	TBD
All Construction Projects (56)	15%	TBD

* Includes FOCP (FOCP construction projects: ADTP, Cross Valley Pipeline Extension, Coyote Percolation Dam Replacement Project, Coyote Creek Flood Management Measures, and Coyote Creek Chillers).

** Projects nearing completion are planned for completion of public works within the calendar year.

Previous analysis of capital projects for the period between December 2017 and June 2023 similarly showed that Valley Water completed construction of projects below the full contingency amounts; this information was presented to the CIP Committee on June 30, 2023.

II. Anderson Dam Tunnel Project (ADTP)

The ADTP is a crucial part of the Anderson Dam FERC Order Compliance Project (FOCP), which was initiated by a FERC directive on February 20, 2020. Because this directive mandated expeditious construction of the low-level outlet tunnel as a risk reduction measure, the Board proceeded with awarding the ADTP contract in April 2021, even though the ADTP design was not 100% complete and several permits had not been secured at that time.³ Staff communicated that this approach came with significant risks and would likely lead to a higher number and larger size of future change orders, as well as a need for a higher contingency amount, due to the many unknowns regarding the scope of the project. Recognizing these risks, the Board approved an unusually high contingency amount of 25% for the ADTP construction

³ Valley Water’s general practice, with only a few exceptions, is to only advertise for bids for public works project after project design reaches 100% and all regulatory permits and real property rights are secured. By having a 100% complete design, the scope described in the bidding documents are clear for potential bidders who can therefore accurately assess the materials, labor, equipment, and time required to construct the project. As explained in this memorandum, the urgency of ADTP did not allow Valley Water to follow its general practice.

contract. This contingency amounted to \$40 million (or approximately 25% of the \$161,140,321 ADTP construct contract award).⁴

To draw from the contingency amount, the Board delegated the following change order approval limits per recommendations by the Committee:

- Unit Manager: Up to \$100,000
- Assistant Operating Officer: Up to \$250,000
- Deputy Operating Officer: Up to \$500,000
- Assistant Chief Executive Officer: Up to \$2.5 million
- Chief Executive Officer: Up to \$5 million
- Board of Directors: \$5 million and above

The Board also accepted the Committee's recommendations for staff to provide monthly reports on approved, pending, and cumulative change order amounts for ADTP to the Committee.⁵

As anticipated, numerous change orders have been required to address unknown aspects of the ADTP scope, including regulatory requirements and design modifications. These change orders generally fall into two categories:

- **Anticipated Change Orders:** These result from design changes and regulatory reviews (e.g., FERC, DSOD) that occurred after the construction contract was awarded. Because key permits and environmental approvals were still pending at the time of award, staff expected that changes to design scope and construction methods would be necessary.
- **Unforeseen Change Orders:** These result from field conditions that could not have been anticipated prior to contract award. They are typical in complex construction projects, especially tunneling and upgrades to aging infrastructure, and may include unexpected subsurface conditions or material issues.

Below are two examples of major change orders that were presented to the Board.

Change Order 35 - Coyote Creek North Channel Modifications

Change Order 35 was necessary primarily as a result of pending approvals from environmental resource and regulatory agencies. When the design and permit conditions were finally approved after the contract award, regulatory agencies required several enhancements and features to be constructed in the North Channel of Coyote Creek. This change order also addressed unforeseen conditions. The change order included:

- **Regulatory-Driven Design Revisions:**

⁴ The Board approved a further increase of the contingency amount by an additional \$40 million on January 28, 2025, bringing the total contingency amount to \$80 million.

⁵ Monthly updates on change orders have been provided to the Committee since July 2021.

Environmental agencies, including the State Water Resources Control Board (SWRCB), National Marine Fisheries Service (NMFS), and U.S. Army Corps of Engineers (USACE), imposed new conditions necessitating significant design changes to the North Channel.

- *TRM Prohibition*: SWRCB prohibited the use of Turf Reinforcement Matting (TRM), requiring replacement with Type 1 and Type 4 rock. This change forced a 10-foot shift in the North Channel alignment to accommodate the additional rock.
- *Fish Stranding Mitigation*: NMFS required increased channel slopes and additional grading to minimize fish stranding hazards as flows recede, as well as redesigns of the North and South Channel weirs for operational flexibility and further fish protection.
- *New Four-Cycle Labyrinth Weir*: NMFS required a new, large labyrinth weir in the North Channel, significantly increasing the amount of concrete and structural work.
- *Wetland Mitigation*: USACE and SWRCB required the addition of a planting bench to mitigate wetland impacts from construction.
- **Unforeseen Conditions:**
 - *Channel Realignment and Excavation*: The channel had to be realigned, slopes adjusted, and excavation deepened to handle higher flows (up to 6,020 cfs) and provide scour protection.
 - *Phytophthora Soil Management*: Recent soil testing revealed more extensive phytophthora (water mold) infestation than previously known, requiring additional soil management measures.
 - *Advancement of North Channel Extension*: Originally planned for a later phase, the extension was advanced to improve efficiency and environmental outcomes, including updated dewatering and temporary dike work.

Implementing the changes described above resulted in a contract time extension of 236 calendar days. Change Order 35 received authorization for CEO approval from the Board (May 28, 2024) and was executed on July 5, 2024, in the amount of \$10,148,710.

Change Order 48 - Revised Final Tunnel Lining

Change Order 48 was necessary primarily as a result of three major rounds of design changes required by the California Division of Safety of Dams (DSOD) and FERC. The change order included:

- **Regulatory-Driven Design Revisions**: Both DSOD and FERC required design modifications to the specialized articulated joint segments after contract award to address seismic safety and constructability.
- **Unforeseen Conditions**: After tunnel excavation, differing site conditions were identified, necessitating an increase in the number and complexity of articulated joint segments to accommodate these conditions.
- **Full-Scale Mockup and Further Modifications**: A full-scale mockup of the articulated joint segments was constructed outside the tunnel to test constructability, especially given the significant amount of reinforcing steel required. This process revealed additional design conflicts and required further modifications to the reinforcing steel design.

After the final design of the articulated joint segments was approved, the contractor developed a cost and schedule proposal that included a revised installation sequence and a 443-calendar-day contract time extension. Change Order 48 received authorization for CEO approval from the Board of

Directors (March 11, 2025) and was executed on June 18, 2025, in the amount of \$16,340,862.

In addition to change orders as described above, because of the complexity of the ADTP and the regulatory oversight by numerous state and federal regulatory agencies, Valley Water amended its agreements with several subject matter expert consultants that had been retained to support regulatory permitting and compliance for the project. Similarly, when the increased scope of the ADTP resulted in an extension of the construction schedule, Valley Water amended its agreement with the construction management firm to remain aligned with the updated construction schedule. The construction management firm oversees the contractor during construction to ensure that the ADTP is built in accordance with design specifications and permit conditions.

III. Cost Concerns Regarding the Anderson Project

It is important to remind the Committee that the Board-approved scope of ADSRP is significantly larger than originally envisioned before 2016. A number of factors, primarily driven by new geological discoveries, heightened regulatory standards, and environmental requirements, have resulted in a significant increase in the ADSRP scope.

Initially, ADSRP aimed for seismic stabilization of Anderson Dam by adding materials to the existing dam embankment. However, during the design phase in 2016, additional geotechnical studies and investigations revealed active faulting directly under the dam's foundation. This discovery was significant because it indicated that the existing dam embankment could liquefy and potentially fail during a large earthquake. This fundamentally changed staff's understanding of the dam's stability and led to a complete redesign from simply retrofitting the existing dam to fully removing and replacing it with a new dam. This drastic change was approved by FERC and DSOD.

In 2017, the near-failure of the Oroville Dam spillway prompted DSOD to impose much stricter standards for spillway design across California. The original plan for the Anderson Dam spillway included only spot repairs. However, under the revised DSOD standards, full removal and replacement of the spillway became necessary.

In addition, on February 20, 2020, FERC ordered Valley Water to implement interim risk reduction measures immediately to reduce the risk of Anderson Dam failure and downstream flooding in the event of a major earthquake until the full implementation of the ADSRP. Specifically, FERC ordered Valley Water to lower Anderson Reservoir to an elevation of 488 feet, known as "deadpool", the lowest elevation from which water can be released from the reservoir. Valley Water was also directed to maintain the reservoir at or below this level, ensure the ability to quickly lower the reservoir in response to significant inflows, assess and address potential rim instability during drawdown, and expedite the design, construction, and operation of a low-level outlet in advance of the ADSRP. This FERC Order resulted in additional projects to ensure compliance with FERC's mandates.

Although "FOCP" might sound like a single project, it is actually an umbrella term for several Avoidance and Minimization Measures (AMMs⁶) and multiple independent, key subprojects. Some of these key subprojects, as summarized below, are included in the FOCP to reduce the FOCP impacts on public safety, the environment (such as aquatic resources), and water supply. The following five

subprojects are included in Valley Water's Capital Improvement Program (CIP).

- **Anderson Dam Tunnel Project (ADTP):** This major component involves building a diversion system to augment the existing outlet, consisting of a new diversion tunnel, an outlet structure, a micro-tunnel lake tap, and modifications to Coyote Creek just downstream of the base of the dam. Once completed, the ADTP will serve as the Stage 1 Diversion System to divert inflows from the reservoir to Coyote Creek at the beginning of the ADSRP. This tunnel will provide better control over reservoir water levels and allow for increased water releases, which is vital for keeping the reservoir at a safe level (deadpool) during and after heavy rain.
- **Coyote Creek Flood Management Measures (CCFMM):** To handle increased water flows from the new Anderson Dam tunnel, Valley Water constructed new floodwalls and other flood protection measures along Coyote Creek. These improvements will minimize flood risk to downstream urban areas when the larger outlet tunnel becomes operational.
- **Coyote Percolation Pond Dam Replacement:** The existing steel flashboard dam is being replaced with an inflatable rubber dam. The new inflatable dam, unlike the existing flashboard dam, is designed to withstand higher creek flows from the Anderson Dam tunnel releases during wet weather. It also provides flexibility to better protect aquatic resources, water supply, groundwater recharge, and to reduce subsidence from the effects of dewatering and maintaining a lower elevation in the reservoir.
- **Cross Valley Pipeline Extension:** This project extends an existing pipeline to introduce imported water to Coyote Creek downstream of Ogier Ponds. This is

⁶ Examples of the AMMs include (a) implementing a program to investigate and monitor movement of the landslides during dewatering and installing structural improvements if necessary, (b) acquiring a number of properties with structures located within a landslide area; (c) reopening and restoring the historical, northern channel of the Coyote Creek and distributing flow between the southern and northern channels to minimize erosion impacts and support salmonid spawning, (d) implementing spring pulse flows, fish rescue and relocation, fish trap, streamflow augmentation downstream of Anderson Dam, reopening of the historical Coyote Creek channel, cold water management zone monitoring and water quality monitoring to avoid and minimize impacts on steelhead.

crucial to maintain water supply and groundwater recharge, and to prevent subsidence during the construction of both the ADTP and the ADSRP.

- **Coyote Creek Chillers:** Three large water-cooling units are being installed near the existing Coyote Pumping Plant. These chillers will cool imported water delivered to Coyote Creek to maintain suitable temperatures for sensitive aquatic species, particularly the federally threatened Steelhead.

As can be seen from above, what began as a relatively straightforward seismic retrofit project evolved into a comprehensive dam replacement and extensive infrastructure overhaul. These changes were driven by risks identified by updated geotechnical findings and evolving regulatory requirements to ensure public safety. Furthermore, to address the current seismic threats of Anderson Reservoir, FERC mandated draining the reservoir and immediately constructing numerous large-scale capital projects. These unforeseen developments significantly expanded the scope, extended the schedule, and dramatically increased the cost of a project that was originally intended to address the seismic concerns of Anderson Dam.

Attachment 2 shows the consultants and contractors retained to support the five key FOCF subprojects and the ADSRP. These contracts can be modified through amendments or change orders to account for unforeseen changes, including scope changes or schedule adjustments, and are reported to the Committee regularly.

ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice impacts associated with this item.

ATTACHMENTS:

- Attachment 1: Memorandum from Committee Chair Hsueh to CIP Committee
- Attachment 2: FOCF and ADSRP Contracts
- Attachment 3: PowerPoint

UNCLASSIFIED MANAGER:

- Luz Penilla, 408-630-2228
- Ryan McCarter, 408-630-2983

TO: CIP Committee

FROM: Nai Hsueh,
CIP Committee Chair**SUBJECT:** Response to Concerns Relating to Contract Amendments, Change Orders, and Anderson Dam Project Costs **DATE:** July 23, 2025

During its meetings on June 16 and June 25, 2025, the CIP Committee (Committee) expressed concerns about modifications to both Valley Water's consultant agreements and construction contracts. These discussions prompted broader questions on how Valley Water manages its consultants and contractors to ensure that professional services are delivered, and projects are constructed, on schedule and within budget. The Anderson Dam Tunnel Project (ADTP) was of particular concern. This ongoing project has experienced a substantial number of consultant agreement amendments and construction contract change orders, resulting in a considerable increase in the project cost compared to the original project cost estimate.

In direct response to these concerns, the Committee raised the following key questions and concerns:

- I. **How are consultant agreement amendments and construction contract change orders initiated, negotiated, and managed at Valley Water?**
- II. **Why has the ADTP required more amendments and change orders than typical Valley Water projects?**

The Committee expressed a concern that the ADTP appears to have required more consultant agreement amendments and construction contract change orders than typical Valley Water projects. Additionally, these amendments and change orders seemed to be presented in a fragmented manner, making it difficult for the Committee to understand the context and rationale behind the changes to the original agreements and contracts.

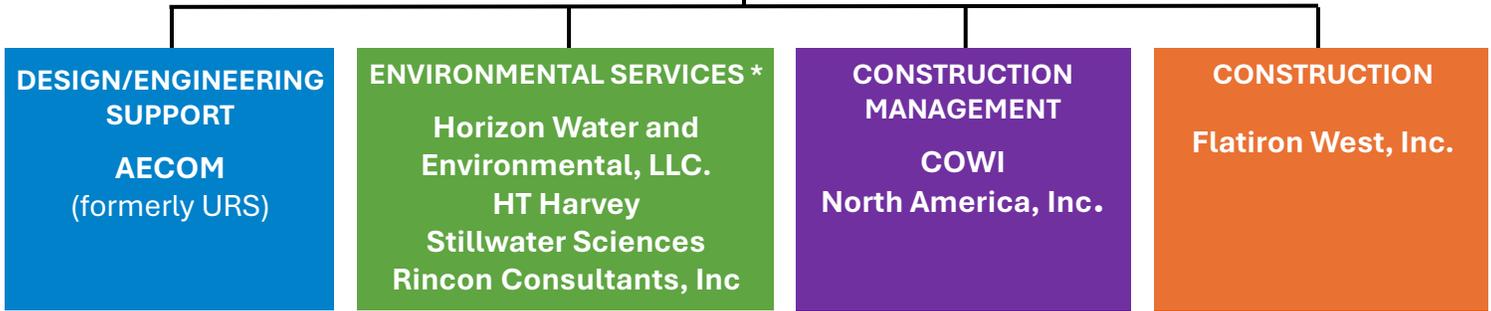
- III. **What has contributed to the substantial cost increase for the collection of Anderson Dam projects?**

Recognizing the substantial cost increases associated with the Anderson Dam projects, which comprise of both the Anderson Dam Seismic Retrofit Project (ADSRP) and the Federal Energy Regulatory Commission (FERC) Order Compliance Project (FOCP), and acknowledging that a portion of this increase stems from FOCP implementation, the Committee requested that staff provide a comprehensive picture of the FOCP.

A detailed response to each of the above questions/concerns is presented in staff's agenda memorandum for the July 31, 2025 Committee meeting. Staff's memorandum: (i) summarizes Valley Water's protocols for initiating, negotiating, and managing consultant agreement amendments and construction contract change orders; (ii) describes the unique aspects of ADTP that contributed to the need for more amendments and change orders compared to other Valley Water projects; and (iii) explains the expanded scope of ADSRP and FERC's regulatory mandate requiring Valley Water to undertake the FOCP.

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FERC Order Compliance Project (FOCP):
Anderson Dam Tunnel Project (ADTP)



DESIGN/ENGINEERING SUPPORT

Consultant	Total Amount Authorized	Total Amount Expended (As of May 2025)
AECOM (formerly URS) Agreement: A3676A	\$12,577,038.00	\$11,115,318.00

*** ENVIRONMENTAL SERVICES**

Valley Water hired these consultants to provide environmental planning, permitting, and compliance support on the Anderson Dam Seismic Retrofit Project (ADSRP). They have also provided limited support to the FERC Order Compliance Project (FOCP) subprojects (i.e., Anderson Dam Tunnel Project, Coyote Creek Flood Management Measures, and Coyote Percolation Dam Replacement). The spending on these consultants for environmental services on FOCP subprojects represents a very small portion of each consultant’s total contract amount. For the full authorized fees and expenditures incurred to date, please refer to the ADSRP exhibit.

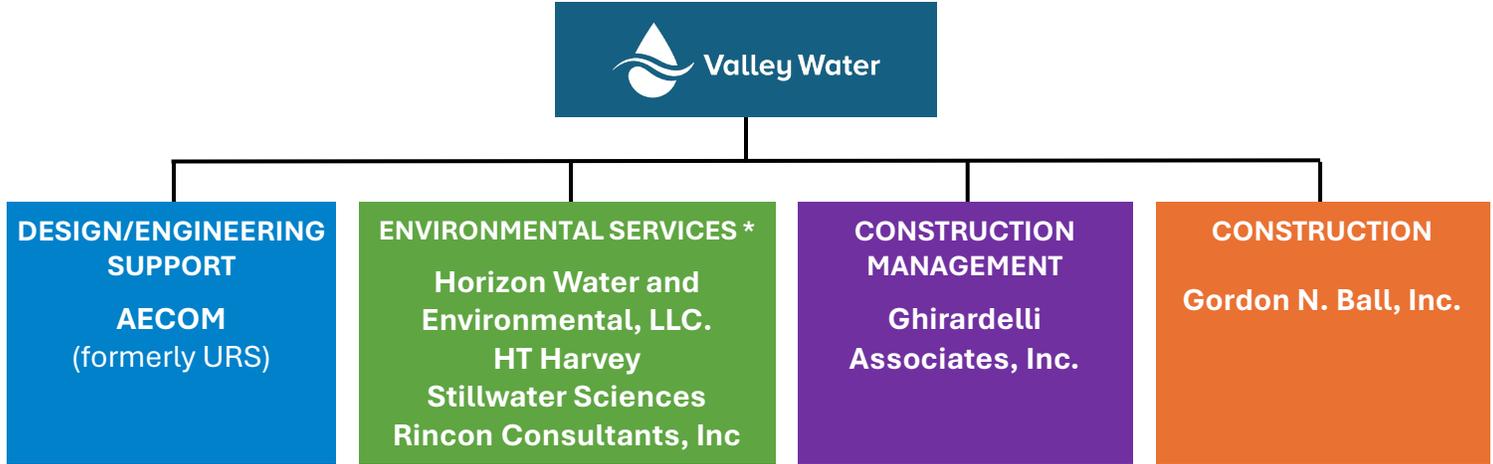
CONSTRUCTION MANAGEMENT

Consultant	Total Amount Authorized	Total Amount Expended (As of May 2025)
COWI North America, Inc. Agreement: A4418A	\$53,170,972.00	\$36,560,157.00

CONSTRUCTION

Contractor	Total Amount Authorized	Total Amount Expended (As of June 2025)
Flatiron West, Inc. Contact: C0663	Construction Contract Amount: 161,140,321.00 Contingency Amount: \$80 Million Authorized Change Orders (51): \$55,210,999.50	\$131,311,052.57 Change Orders: \$32,316,226.07 Total Cost: \$163,627,279.00

FERC Order Compliance Project (FOCP): Coyote Creek Flood Management Measures (CCFMM)



DESIGN/ENGINEERING SUPPORT

Consultant	Total Amount Authorized	Total Amount Expended (As of 6/2025)
AECOM (formerly URS) Agreement: A4464A	\$6,885,591.00	\$6,743,193.00

* ENVIRONMENTAL SERVICES

Valley Water hired these consultants to provide environmental planning, permitting, and compliance support on the Anderson Dam Seismic Retrofit Project (ADSRP). They have also provided limited support to the FERC Order Compliance Project (FOCP) subprojects (i.e., Anderson Dam Tunnel Project, Coyote Creek Flood Management Measures, and Coyote Percolation Dam Replacement). The spending on these consultants for environmental services on FOCP subprojects represents a very small portion of each consultant’s total contract amount. For the full authorized fees and expenditures incurred to date, please refer to the ADSRP exhibit.

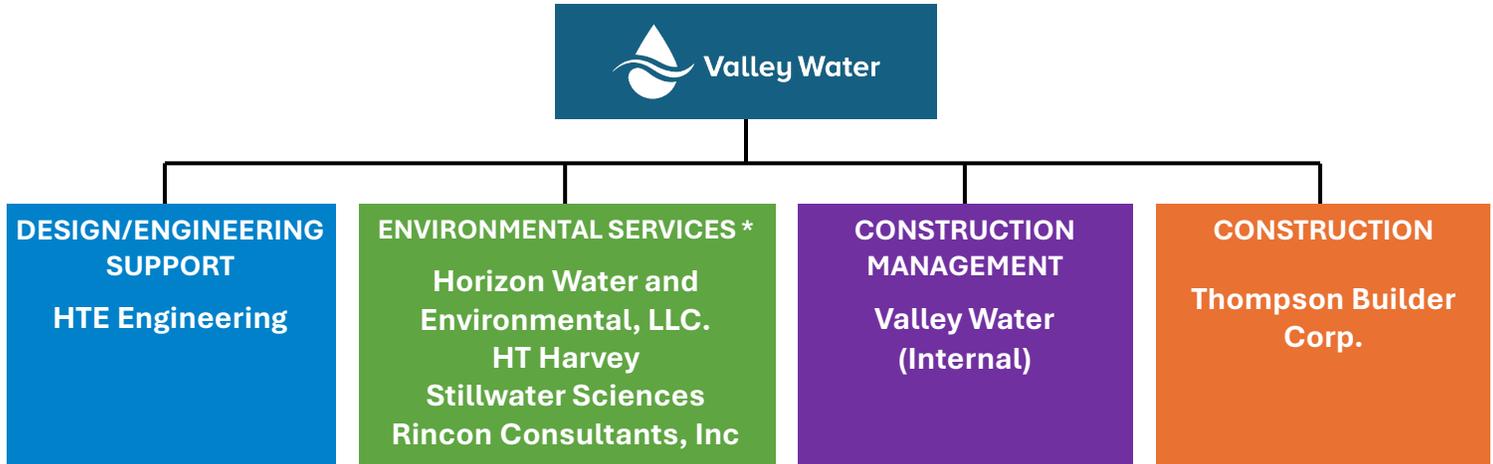
CONSTRUCTION MANAGEMENT

Consultant	Total Amount Authorized	Total Amount Expended (As of 5/2025)
Ghirardelli Associates, Inc. Agreement: A4751A	\$5,592,563.00	\$4,152,735.00

CONSTRUCTION

Contractor	Total Amount Authorized	Total Amount Expended
Gordon N. Ball, Inc. Contract: C0690	Construction Contract Amount: \$43,927,438.00 Contingency Amount: \$6,589,116.00	\$43,927.438.00 Change Orders (34): \$4,013,100.53 Total Cost: \$47,940,538.53

FERC Order Compliance Project (FOCP): Coyote Percolation Dam Replacement



DESIGN/ENGINEERING SUPPORT

Consultant	Total Amount Authorized	Total Amount Expended (As of 5/2025)
HTE Engineering PO 100821	\$1,149,000.00	\$1,178,879.00

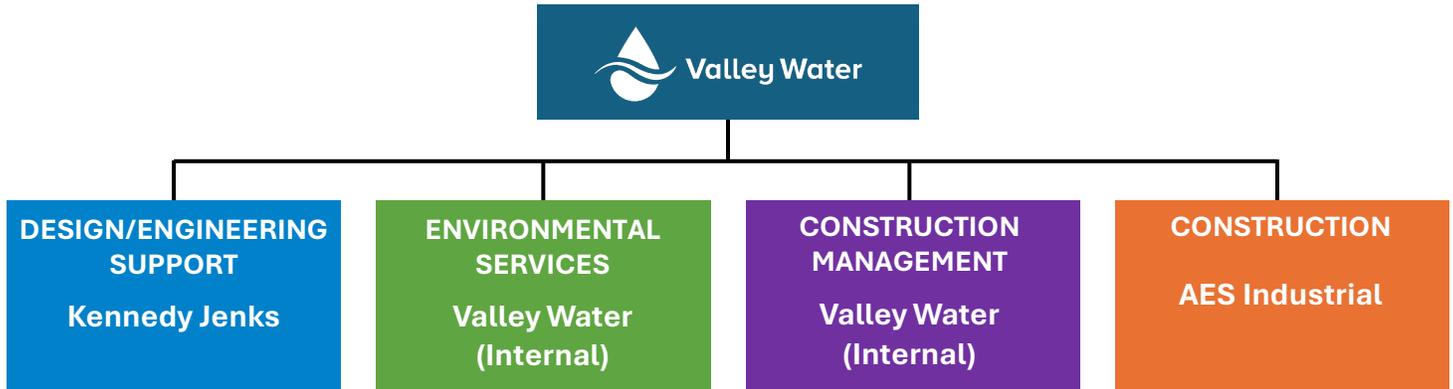
* ENVIRONMENTAL SERVICES

Valley Water hired these consultants to provide environmental planning, permitting, and compliance support on the Anderson Dam Seismic Retrofit Project (ADSRP). They have also provided limited support to the FERC Order Compliance Project (FOCP) subprojects (i.e., Anderson Dam Tunnel Project, Coyote Creek Flood Management Measures, and Coyote Percolation Dam Replacement). The spending on these consultants for environmental services on FOCP subprojects represents a very small portion of each consultant’s total contract amount. For the full authorized fees and expenditures incurred to date, please refer to the ADSRP exhibit.

CONSTRUCTION

Contractor	Total Amount	Total Amount Authorized
Thompson Builder Corp. Contract: C0693	Construction Contract Amount: \$7,845,800.00 Contingency Amount: \$1,176,870.00	\$7,845,800.00 Change Orders (11): \$415,510.42 Total Cost: \$8,261,310.42

FERC Order Compliance Project (FOCP):
**Coyote Creek Stream Augmentation Fish Protection
 Measure Chillers Plant Project**



DESIGN/ENGINEERING SUPPORT

Consultant	Total Amount Authorized	Total Amount Expended (As of 6/2025)
Kennedy Jenks Previous Agreement: A4093A Current Agreement: A4768A	\$2,255,351.74	\$2,095,226.66

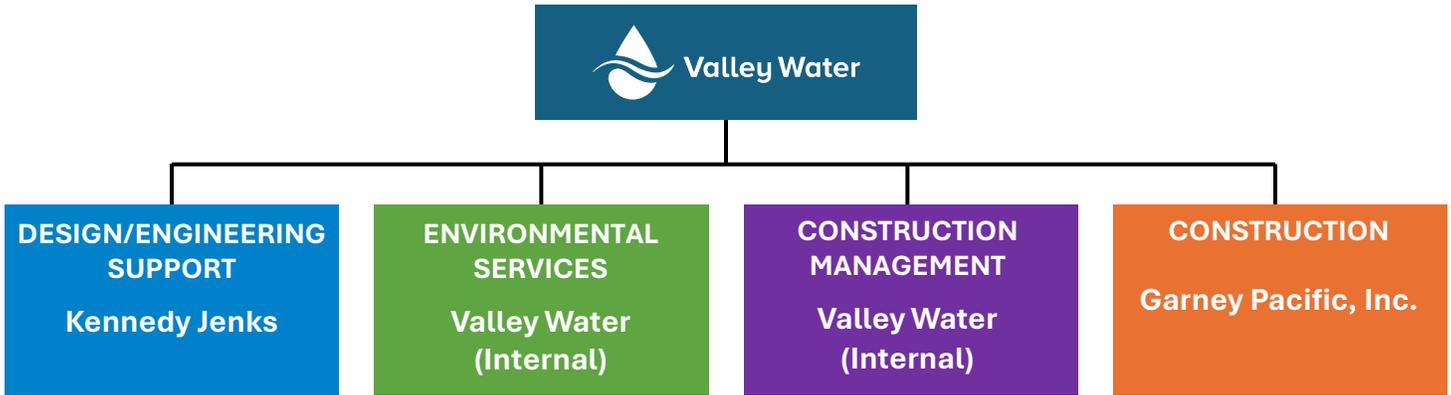
CONSTRUCTION

Contractor	Total Amount Authorized	Total Amount Expended
AES Industrial Contract: C0701	Construction Contract Amount: \$5,363,944.00 Contingency Amount: (Amount as of 1/14/25) \$5,304,592.00	\$5,363,944.00 Change Orders (14): \$4,502,005.00 Total Cost: \$9,865,949.00

VALLEY WATER FURNISHED EQUIPMENT

Company	Item	Total Amount
American Chiller Services, Inc.	Modular Chiller Plant	\$11,944,498.00
	Secondary Unit Substation	\$1,720,000.00

FERC Order Compliance Project (FOCP): Cross Valley Pipeline Extension Project



DESIGN/ENGINEERING SUPPORT

Consultant	Total Amount Authorized	Total Amount Expended (As of 6/2025)
Kennedy Jenks Agreement: A4093A	\$2,459,339.39	\$1,849,340.21

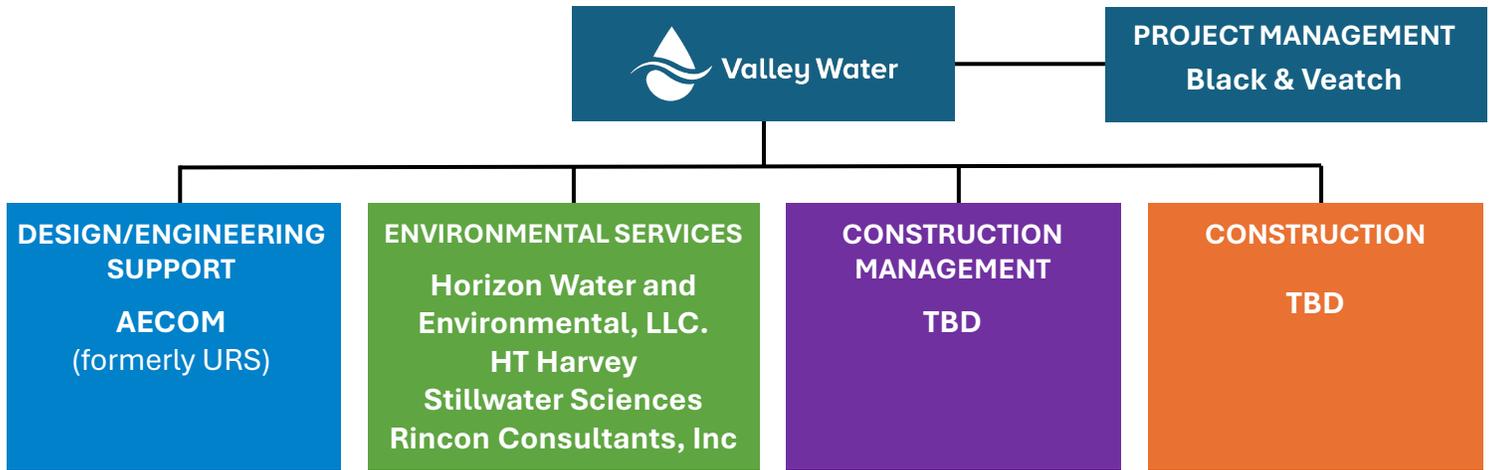
CONSTRUCTION

Contractor	Total Amount	Total Amount Authorized
Garney Pacific, Inc. Contract: C0676	Construction Contract Amount: \$12,867,059.00 Contingency Amount: \$1,930,059.00	\$12,867,059.00 Change Orders (10): \$1,176,399.18 Total Cost: \$14,043,458.18

VALLEY WATER FURNISHED EQUIPMENT

Company	Item	Total Amount
Cascade Consultants	Plunger Valve	\$444,748.00
Rust Automation Endress Hauser	Flow Meter	\$31,056.15
Pace Supplies	Butterfly Valve	\$207,779.00

Anderson Dam Seismic Retrofit Project (ADSRP)



PROJECT MANAGEMENT

Consultant	Total Amount Authorized	Total Amount Expended (As of 5/2025)
Black & Veatch Agreement: A3555A	\$31,915,128.00	\$26,349,326.00

DESIGN/ENGINEERING SUPPORT

Consultant	Total Amount Authorized	Total Amount Expended (As of 5/2025)
AECOM (formerly URS) Agreement: A3676A	\$70,878,632	\$57,410,899.00

ENVIRONMENTAL SERVICES

Consultant	Total Amount Authorized	Total Amount Expended
Horizon Water and Environment, LLC Agreement: A4325G	\$7,116,256.00	As of 9/2023 \$6,866,256.00
HT Harvey Agreement: A4933A	\$1,150,000.00	As of 2/2025 \$509,900.00
Stillwater Sciences Agreement: A4932A	\$2,918,593.00	As of 3/2025 \$1,179,861.00
Rincon Consultants, Inc. Agreement: A5019A	\$1,535,000.00	As of 5/2025 \$1,053,809.00



Response to Concerns Relating to Contract Amendments, Change Orders, and Anderson Dam Project Costs

Capital Improvement Program (CIP) Committee
July 31, 2025

Consultant Agreement Amendments

- Consultants provide professional services such as design, planning, and construction management
- Why are consultant agreement amendments needed?
 - Scope changes
 - Budget adjustments
 - Schedule extensions
- Process for evaluating when amendment is needed



Consultant Agreement Amendments

3

Project Manager (PM) Responsibilities

- Manage consultant's services to ensure contractual compliance
- Address consultant performance deficiencies



Construction Contract Change Orders

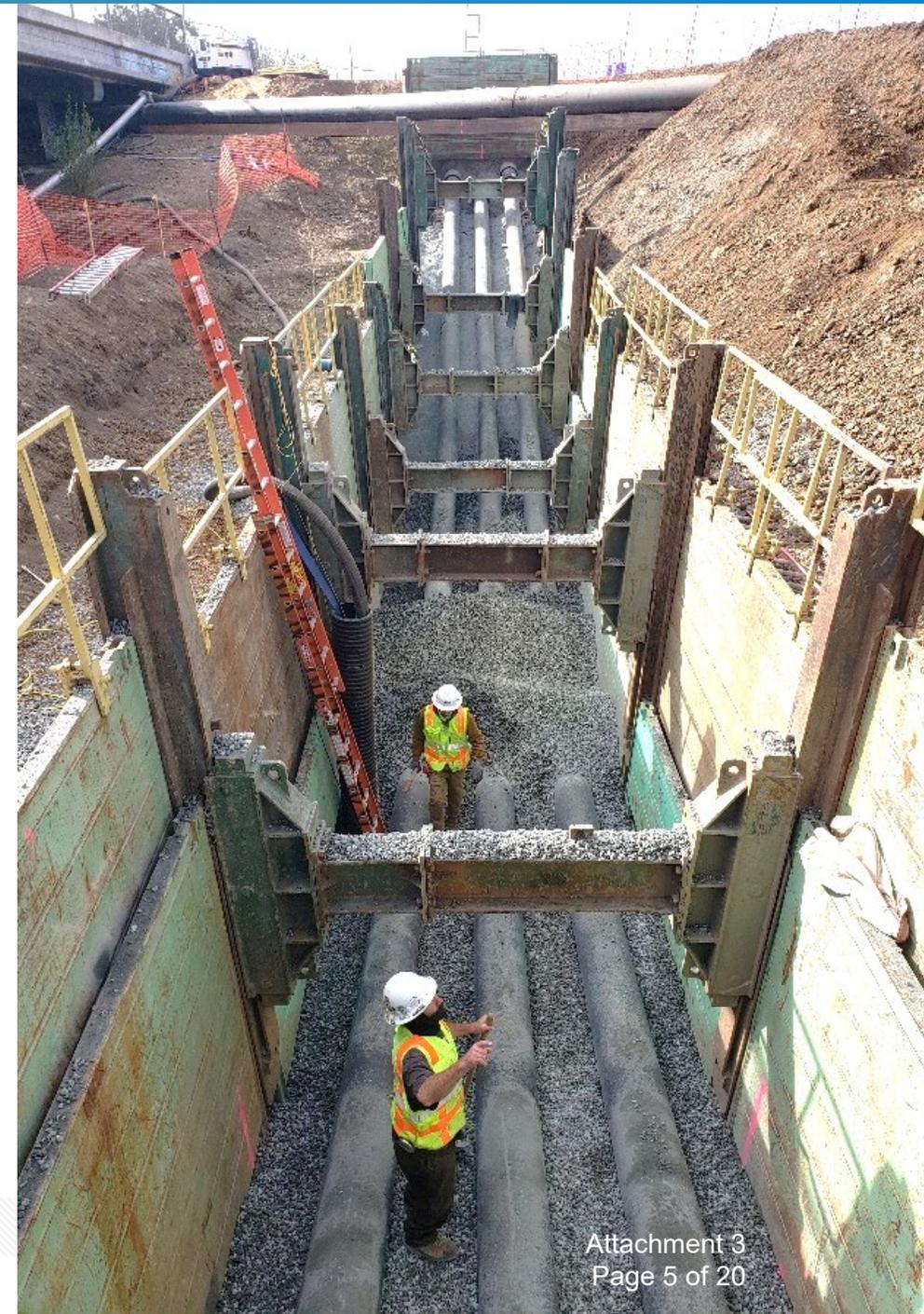
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- What are change orders?
- Who has authority to issue change orders?
- Examples of when change orders are required



Overview of Change Order Process

- Standardized process for approving revisions to construction contracts, including changes to scope, schedule, or costs
- Process was updated based on recommendations from a 2019 audit by Tap International
- Updates were implemented to improve accountability, transparency, and cost containment



2019 Audit Updates to Change Order Process

Key enhancements to change order process from 2019 audit include:

- **Independent Cost Estimates (ICE):** Ensures third-party expert verification of proposed change order costs
- **"High-Risk" Project Definition:** Identifies high-cost projects (>\$100M) requiring enhanced oversight
- **Change Control Board (CCB):** Provides dedicated body for reviewing and approving significant changes to high-risk projects
- **Project Steering Committee:** Offers high-level guidance and decision-making for complex projects

Assessing the Need for a Change Order

- Project Manager (PM), Construction Manager (CM), and Project Team collaboratively evaluate need
- Assessment considers impact on scope, schedule, budget, and contractual obligations
- CM performs cost analysis and negotiates with Contractor
- Justification memorandum is prepared to document rationale and support approval process



Construction Contract Contingencies

Capital Construction Projects (Excludes FOCP)

Capital Construction Projects*	Contingency Approved (Average)	Contingency Spent (Average)
Completed (37 Projects)	12%	5%
Nearing Completion**/ Plant Establishment (7 Projects)	18%	10%
Construction (7 Projects)	12%	TBD
All Construction Projects (51 Projects)	13%	TBD

* Excludes FOCP.

** Projects nearing completion are planned for completion of public works within the calendar year.

Construction Contract Contingencies

Capital Construction Projects (Includes FOCP)

Capital Construction Projects*	Contingency Approved (Average)	Contingency Spent (Average)
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All Construction Projects (56 Projects)	15%	TBD

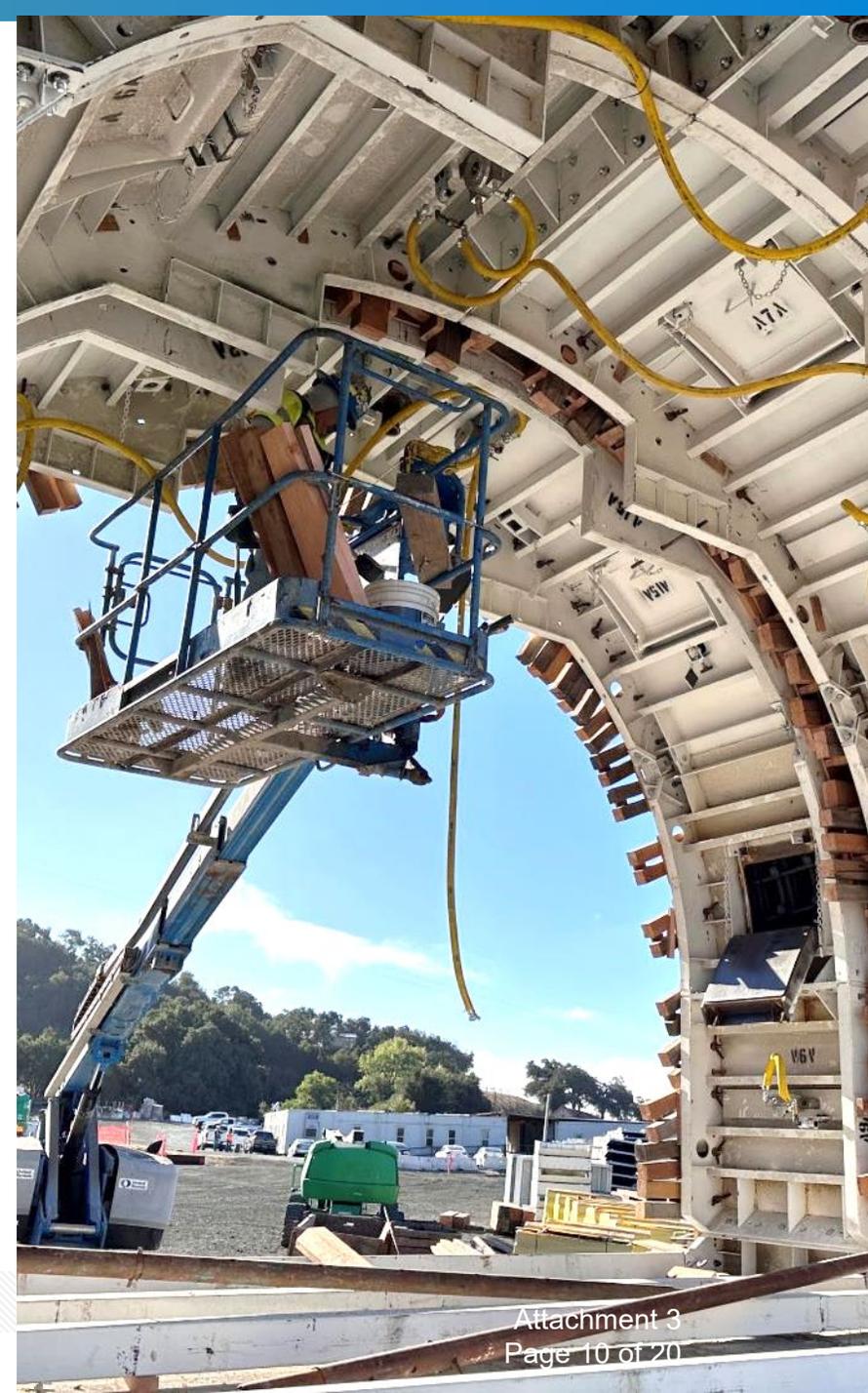
* Includes FOCP (FOCP construction projects: ADTP, Cross Valley Pipeline Extension, Coyote Percolation Dam Replacement Project, Coyote Creek Flood Management Measures, and Coyote Creek Chillers).

** Projects nearing completion are planned for completion of public works within the calendar year.

Anderson Dam Tunnel Project (ADTP)

Construction Contract Amount and Contingency

- ADTP original construction contract amount: \$161,140,321 with contingency amount of \$40,000,000 (~25% of contract amount)
- Initial 25% (\$40,000,000) contingency unusually high due to many anticipated unknowns
- Board of Directors approved increase of contingency amount by another \$40 million to total contingency amount of \$80 million on January 28, 2025



Anderson Dam Tunnel Project (ADTP)

Delegated Change Order Approval Limits

Board delegated change order approval limits for ADTP:

- **Unit Manager:** Up to \$100,000
- **Assistant Operating Officer:** Up to \$250,000
- **Deputy Operating Officer:** Up to \$500,000
- **Assistant Chief Executive Officer:** Up to \$2.5 million
- **Chief Executive Officer:** Up to \$5 million
- **Board of Directors:** \$5 million and above

All approved, pending, and cumulative ADTP change order amounts are reported to Capital Improvement Program (CIP) Committee

Anderson Dam Tunnel Project (ADTP)

Two general Categories of Change Orders

Anticipated Change Orders

- Result from regulatory reviews (e.g., FERC, DSOD) that occurred after contract was awarded
- Key permits and environmental approvals were still pending at the time of contract approval

Unforeseen Change Orders

- Arise from field conditions common in complex civil works, especially tunnels and aging infrastructure (e.g., subsurface surprises or material issues)



Anderson Dam Tunnel Project (ADTP)

Change Order 35 – Coyote Creek North Channel Modifications

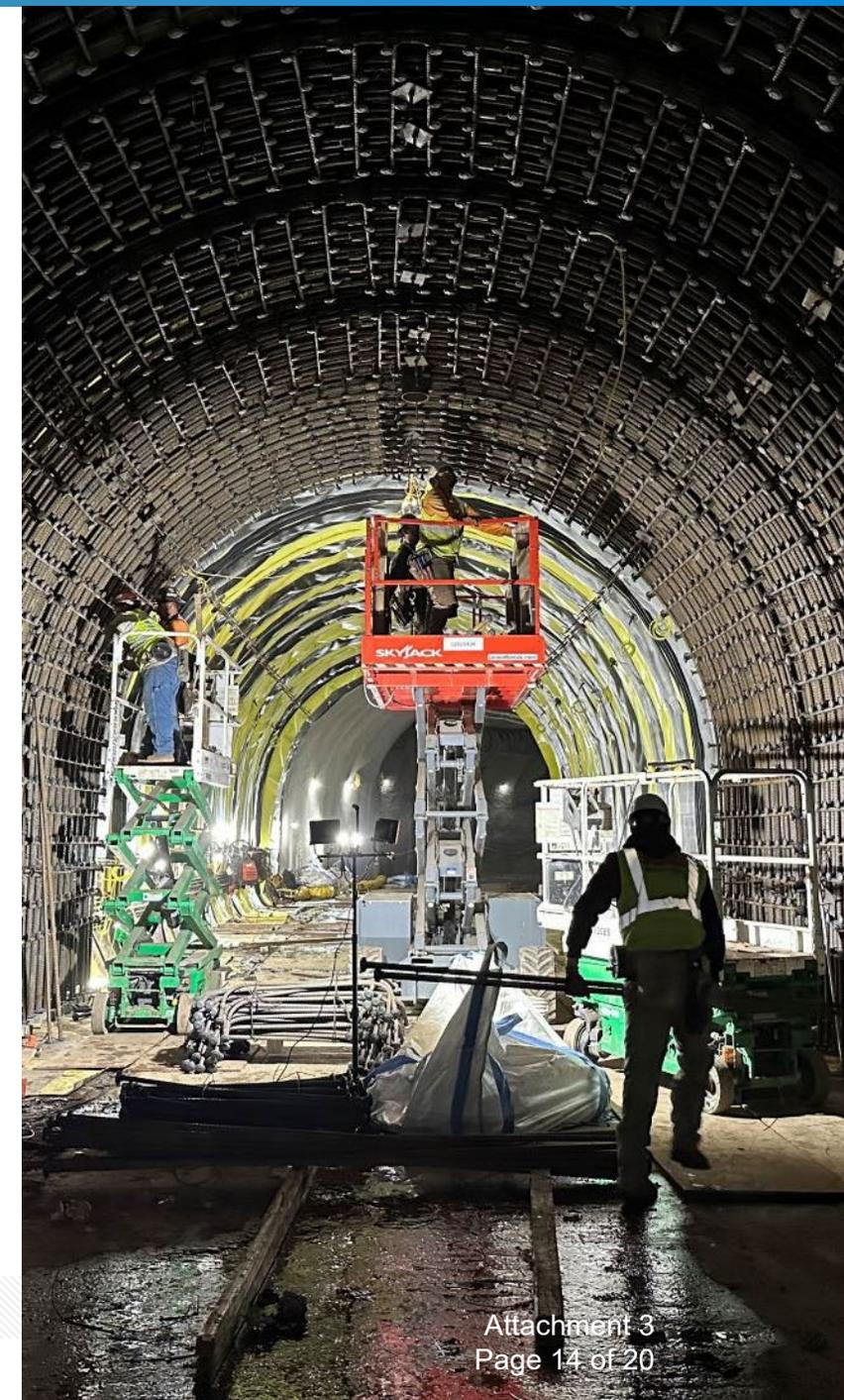
13

Regulatory-Driven Design Changes	Unforeseen Conditions
<p>TRM Prohibition: State Water Board banned turf reinforcement matting, requiring rock materials and a 10-foot channel shift</p> <p>Fish Protection: NMFS required steeper slopes and weir redesigns to reduce fish stranding</p> <p>Labyrinth Weir: Large, complex weir was required.</p> <p>Wetland Mitigation: Planting bench was added to offset environmental impacts</p>	<p>Channel Upgrades: Realignment and deeper excavation needed to handle higher water flows</p> <p>Soil Management: Wider-than-expected phytophthora infestation required extra soil treatment</p> <p>Schedule Advancement: North Channel Extension moved up to align with environmental goals and improve efficiency</p>

Anderson Dam Tunnel Project (ADTP)

Change Order 48 – Revised Final Tunnel Lining

Regulatory-Driven Design Changes	Unforeseen Conditions
Modifications to tunnel joint designs were required after initial award	Unexpected ground conditions required more complex joint segments Full-scale test mockup revealed additional design issues, prompting further changes to reinforcement steel



Anderson Dam Seismic Retrofit Project (ADSRP)

- **Original Scope:** Prior to 2016, Anderson Dam retrofit was envisioned as much smaller project, primarily involving addition of materials to existing dam embankment
- **2016 Geotechnical Investigations:** Revealed threats to dam embankment, prompting redesign that involved removing existing structure and replacing it with new embankment
- **Impact of Oroville Spillway Incident:** Led to new Division of Safety of Dams (DSOD) standards, requiring full removal and replacement of Anderson Dam spillway instead of limited spot repairs

FERC Order Compliance Project (FOCP)

- FERC Order Compliance Project (FOCP) is high-priority safety initiative launched by Valley Water in response to FERC emergency order issued on February 20, 2020
- FERC order required immediate interim risk reduction measures to reduce potential for Anderson Dam failure and downstream flooding during major earthquake
- Interim risk measures are being implemented while Valley Water prepares for ADSRP—a full dam reconstruction scheduled to begin construction in 2027

FERC Order Compliance Project (FOCP)

Key FOCP Subprojects

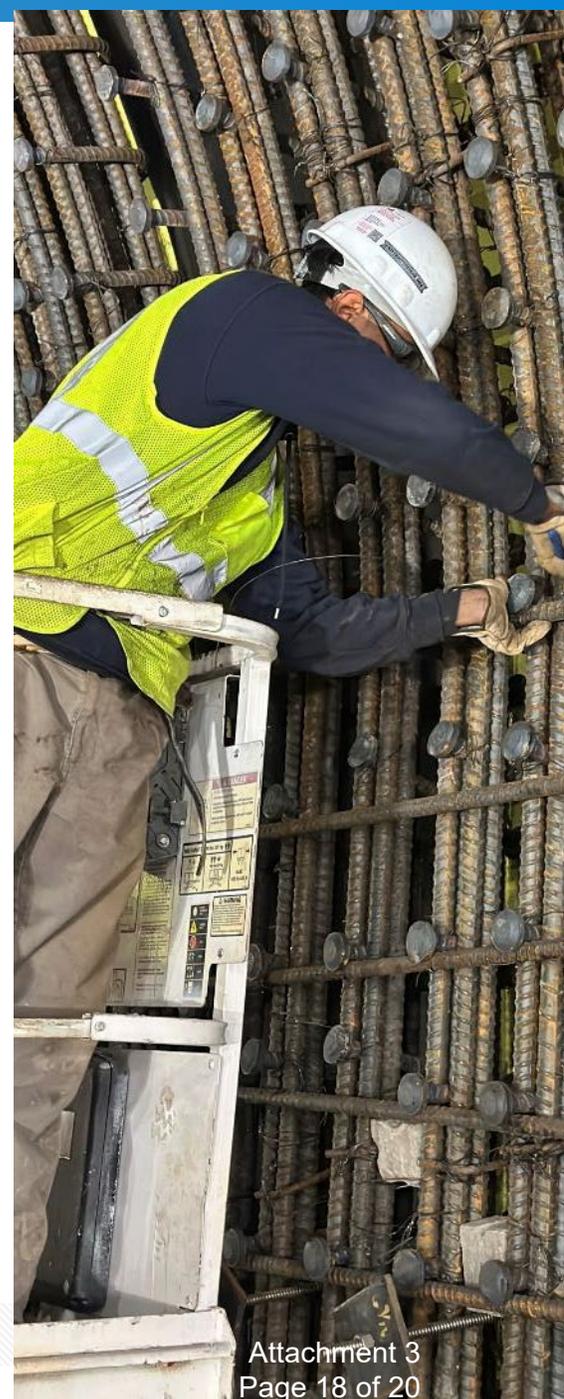
FOCP is umbrella for 5 major subprojects within Valley Water’s Capital Improvement Program (CIP), each with separate design, permitting, and construction phases

SUBPROJECT 1: Anderson Dam Tunnel Project (ADTP)	SUBPROJECT 2: Coyote Creek Flood Management Measures (CCFMM)	SUBPROJECT 3: Coyote Percolation Pond Dam Replacement	SUBPROJECT 4: Cross Valley Pipeline Extension	SUBPROJECT 5: Coyote Creek Chillers
<p>Constructs new diversion tunnel and outlet structure</p> <p>Allows better reservoir drawdown and control during storm events</p> <p>Prepares for early phases of ADSRP</p>	<p>Installs floodwalls and protective structures along Coyote Creek</p> <p>Reduces flood risks from higher outflows during tunnel operation</p>	<p>Replaces flashboard dam with inflatable rubber dam</p> <p>Withstands higher creek flows, protects aquatic habitats, supports recharge</p>	<p>Extends pipeline to deliver imported water downstream of Ogier Ponds</p> <p>Maintains water supply and groundwater recharge during dam-related work</p>	<p>Adds three chillers near Coyote Pumping Plant</p> <p>Cools imported water to protect sensitive species like Steelhead</p>

Anderson Project Cost Concerns

Anderson Dam Seismic Retrofit Project (ADSRP) + FERC Order Compliance Projects (FOCP)

- Relatively straightforward seismic retrofit project evolved into a complete dam replacement and extensive infrastructure upgrades
- FERC Emergency Order resulted in drainage of Anderson Reservoir and necessitated immediate construction of numerous large-scale projects
- Unforeseen developments significantly expanded scope of seismic retrofit project, leading to extended project schedule and dramatically increased costs



QUESTIONS





Valley Water

Clean Water • Healthy Environment • Flood Protection



Santa Clara Valley Water District

File No.: 24-1077

Agenda Date: 7/31/2025

Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM Capital Improvement Program Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive and Discuss Information Regarding the Status of Capital Projects in the Feasibility and Planning Phase.

RECOMMENDATION:

Receive and discuss information regarding the status of capital projects in the feasibility and planning phase.

SUMMARY:

The Capital Improvement Committee's (CIP) 2025 Workplan includes monitoring of capital projects during all phases of delivery. Staff will prepare a list of active projects to submit to the Committee each month and will provide detailed information on those where potential and/or significant issues have been identified. The projects presented for discussion will be organized by phases: feasibility/planning, design/permitting, and construction. Staff will present projects to the CIP Committee for review, one phase at a time. Projects currently in the feasibility/planning phase are being presented this month.

Attachment 1 is a list of projects in the feasibility/planning phase. A verbal report will be provided at the meeting with more detailed information about recent developments, as requested by the Committee.

ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:

There are no environmental justice and equity impacts associated with this item. This action is unlikely to or will not result in adverse impacts and is not associated with an equity opportunity.

ATTACHMENTS:

Attachment 1: Feasibility and Planning Report

UNCLASSIFIED MANAGER:

Ryan McCarter, 408-630-2983

Kirsten Struve, 408-630-3138

Luz Penilla, 408-630-2228

Emmanuel Aryee, 408-630-3074

Bhavani Yerrapotu, 408-630-2735

Lisa Bankosh, 408-630-2618

Tony Ndah, 408-630-2208

Capital Project Monitoring Report – July 2025

Feasibility and Planning Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions, or potential issues	Deputy's Initials
<u>Water Supply</u>				
1	91084019	Dam Seismic Stability Evaluations	The Division of Safety of Dams (DSOD) received the Coyote Dam seismic stability assessment in July 2024. Work has started on the Problem Definition Memo and Conceptual Remedial Alternatives. The Preliminary Remedial Alternatives Report was delivered, and the final report is expected by the end of 2025. The Uvas Dam seismic assessment technical memorandum, which concluded that no additional studies are needed, was submitted to DSOD in March 2025 for review. The Chesbro Dam evaluations were expected to be completed by July 2025; however, to optimize the parameters, more field investigation is needed to finalize the evaluation. This unprecedented requirement will extend the report completion to next year. DSOD has completed its review of spillway evaluations for Lenihan and Stevens Creek Dams. These evaluations will support the project team's ongoing planning efforts, including the analysis of various alternatives.	RM
2	91294001	Pure Water Silicon Valley	Amendment No. 2 for Agreement A4623A with CDM Smith, Inc. has been executed, and Amendment No. 4 for Agreement A4133A with Environmental Science Associates is in progress. Their work will focus on the first phase of the PWP, a Direct Potable Reuse Demonstration Facility located in San Jose next to Silicon Valley Advanced Water Purification Facility. City of San Jose and Valley Water staff are continuing to work on regulatory approaches and agreements needed for the demonstration facility. Staff is currently working on the procurement of a design consultant to design the DPR Demonstration facility and expects to release a Request for Proposals (RFP) in Q4 of FY25. Staff is refining the Project Implementation Plan, emphasizing development of project packaging (grouping) and cost estimates. These efforts will inform the Final Planning Study Report (PSR), which is scheduled for completion by winter 2025. Staff has also completed the 30-day public comment period for the Notice of Preparation (NOP), during which no significant concerns were raised. This public engagement milestone will support finalization of the Programmatic Environmental Impact Report (PEIR) by year-end 2025.	KS
3	93044001	Water Treatment Plant (WTP) Master Plan Implementation Project	The first capital project to be introduced from this master plan will be for the Santa Teresa Water Treatment Plant. Staff will be submitting the proposed project for consideration as part of the FY27 CIP cycle. To assist with the transition of master plan projects into future CIPs, staff is preparing two amendments to the project consultant's contract to (1) extend the agreement by one year with no change to cost and (2) exercise optional program management services to continue to support delivery of the proposed projects through Valley Water's CIP.	LP
4	95044001	Distribution System Master Plan Implementation Project	Staff has developed a detailed analytical tool to calculate and evaluate the Consequence of Failure scores for all pipeline assets. Over the coming months, the team will test, calibrate, and refine the tool. Its outputs will form the foundation of a technical memorandum, scheduled for completion by August 2025, summarizing key pipeline evaluation findings. The memorandum will consolidate evaluation results for the raw and treated water pipelines. This comprehensive document will assess Valley Water's critical distribution infrastructure and support the development of project proposals and a PSR in the following year. Staff is continuing to review and score pump station assets for the six pump stations inspected earlier this year. Findings will be summarized in a Pump Station Evaluation, with completion expected by November 2025.	LP

			Staff is finalizing the planning phase for the two early implementation projects for SCADA remote communications and the raw water alternate control center.	
5	95044002	SCADA Master Plan Implementation Project	The planning study for the remote communications project has identified feasible alternatives and is finalizing the recommended alternative. The raw water control center final PSR has been finalized, and the project team is working to transition the project to the design phase. Staff is drafting the documents for the SCADA Platform Selection RFP and working with Procurement to finalize the details needed for advertisement. The two-step RFP will allow Valley Water staff to first short-list respondents then ultimately select the SCADA system platform to be used in future Valley Water projects, including the ones that come from this plan.	LP
6	95084002	10-Year Pipeline Inspection and Rehabilitation Project	The Final Pipeline Maintenance Program (PMP) EIR was approved by the Board of Directors at the April 22, 2025 Board meeting. Staff is currently working on program permitting.	EA
Flood Protection				
			The US Army Corps of Engineers (USACE) concluded the Phase II study after finding that the study area is not predicted to experience flood damage significant enough to justify federal investment. Valley Water continues to engage with the cities of Mountain View and Palo Alto to further discuss the conclusion of the Phase II study.	
7	26444002 26444004	San Francisco Bay Shoreline (E7) – Phase II and Phase III	USACE has proposed a Study schedule of eight years and a budget of \$15.97 million, to be shared 50/50 between Valley Water and USACE, making Valley Water’s contribution \$7.885 million. The cost and duration are greater than expected due to the incorporation of engineering investigations into the Study that would typically be done in design, which are expected to result in more realistic project cost estimates. Valley Water staff submitted a Letter of Support for the Study to USACE on December 3, 2024. Approval of the Study scope, budget and schedule by USACE Headquarters is pending. While awaiting approval, the USACE project team has resumed work on hydraulic, geotechnical, and economic analysis for the study area. The project is currently being led by the San Francisquito Creek Joint Powers Authority (SFCJPA). Valley Water is one of the five member agencies. The SFCJPA continues to evaluate project alternatives. They have identified Phase 1 improvements including channel widening and replacing a temporary wooden floodwall, however specific widening locations are still being determined. Phase 2 improvements have not been identified, but are needed to meet the 70-year protection goal.	BY
8	26284002	San Francisquito Creek – S.F. Bay to Middlefield Road (SCW E5)*		BY
Water Resources Stewardship				
9	26044003	Ogier Ponds Separation from Coyote Creek (SCW D4.2)*	In fall 2024, staff provided preliminary alternative design information to the California Department of Fish and Wildlife (CDFW) in support of the Anderson Dam Seismic Retrofit Project (ADSRP) permitting. In spring 2025, the Draft PSR was updated to address and incorporate Feasible Alternatives Analysis comments received from Santa Clara County Parks (Parks). In spring 2025, the DPSR was provided to the ADSRP Multi-Agency Working Group (MAWG) for comments. The project team is currently working to address or incorporate comments provided by the MAWG. In addition to refining the DPSR, staff is preparing a two-dimensional hydraulic model for preliminary design of the Staff-Recommended Alternative, coordinating with Parks to complete a geotechnical investigation, and developing preliminary survey information for real estate acquisitions. The project team is on track to finalize the DPSR in spring 2026; however, the schedule is dependent on coordination with external stakeholders.	LB
10	26044005	Fish Passage Improvements (Moffett) (SCW D4.3)*	Staff is currently compiling and reviewing input from the Quality Control Team for the Feasible Alternatives Report, which recommends a Staff-Recommended Alternative to improve fish passage at the Moffett Drop Structure on Stevens Creek. In spring 2025, staff completed a review of background information, revised cost estimates for conceptual alternatives, and developed a 3-dimensional CAD model for hydraulic analysis and preliminary design analysis. Staff is on track to complete Feasible Alternatives Analysis, select the Staff-Recommended Alternative, and complete the Draft PSR by the end of 2025.	LB

11	20444001	Calabazas/San Tomas Aquino Creek-Marsh Connection Project (Planning and Design)	Staff is working with FlowWest and Stillwater to complete modeling of the expected long-term marsh accretion within the ponds and completing a flood risk assessment. Preparation of the DPSR is underway, which will include identification of the Staff-Recommended Alternative. The DPSR is expected to be completed in September 2025 and staff will present the Staff-Recommended Alternative at the November CIP Committee meeting.	LB
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Buildings & IT

12	60204022	Security Upgrades and Enhancements	This project will significantly enhance the overall security of Valley Water facilities by designing and installing a modern technical security system capable of addressing today's security and investigative requirements to counter security threats. The project is being delivered in three phases: the construction contract for Phase 1, which involves fencing replacement, was awarded by the Board of Directors in December 2024 and construction is in progress; Phase 2, focusing on surveillance and access control replacement, is scheduled to go out to bid in Q1 of FY26; and Phase 3, the expansion of the surveillance system, is in the planning phase and will be advanced after the completion of Phase 2 to ensure a seamless progression in enhancing the overall security infrastructure.	TN
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*This project meets the commitments of the voter-approved Safe, Clean Water Program (SCW). For a full description of the SCW benefits and KPIs, please visit www.valleywater.org.

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Santa Clara Valley Water District

File No.: 24-1087

Agenda Date: 7/31/2025

Item No.: 4.5.

COMMITTEE AGENDA MEMORANDUM Capital Improvement Program Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

RECOMMENDATION:

Receive information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

SUMMARY:

During the May 17, 2021, Capital Improvement Program (CIP) Committee meeting, staff provided an update on the Anderson Dam Tunnel Project (ADTP) No. 91864006. The Committee requested staff provide monthly change order status updates after construction of the ADTP commences on July 7, 2021.

Project Background

Santa Clara Valley Water District (Valley Water) is undertaking the Anderson Dam Federal Energy Regulatory Commission Order Compliance Project (FOCP) as a result of the February 20, 2020, directive from the Federal Energy Regulatory Commission (FERC) to implement interim risk reduction measures at Anderson Dam. One of those measures is the ADTP.

On April 27, 2021, Valley Water's Board of Directors awarded the construction contract for the ADTP to the top-ranked, best-value proposer, Flatiron West, Inc. (Flatiron), in the sum of \$161,140,321 and approved a contingency amount of \$40,000,000 (25% of the contract price). The Board directed staff to discuss delegating authority for contingency expenditures with the CIP Committee. On January 28, 2025, the Board of Directors approved an increase of \$40,000,000 to the construction contract contingency sum, bringing the total construction contract contingency to \$80,000,000.

By unanimous roll call vote at its May 17, 2021, meeting, the Committee approved recommending to the full Board that it consider delegating authority to staff to approve change orders for the ADTP at the amounts stated below and that the CIP Committee receive regular monthly reports with

information regarding approved change orders, pending change orders, and the cumulative amounts. Valley Water's Board of Directors accepted the CIP Committee recommendations at its regular meeting on May 25, 2021.

Delegated Approval Authority

Unit Manager: Up to \$100,000
Assistant Operating Officer: Up to \$250,000
Deputy Operating Officer: Up to \$500,000
Assistant Chief Executive Officer: Up to \$2.5 million
Chief Executive Officer: Up to \$5 million
Board of Directors: \$5 million and above

Construction Contract Change Orders Status

There are two new Contract Change Orders (CCO No. 53 & 54) to present to the CIP Committee. The estimated value of CCO No. 53 is \$619,041.36 and CCO No. 54 has an estimated value of \$250,000.00. Two attachments, providing information on construction contract change orders (Attachment 1) and construction contract financials (Attachment 2), are included for reference.

Contract Change Order #53

1. **Tunnel Ventilation for Final Tunnel Lining** - Tunnel ventilation modifications were required to facilitate the Final Tunnel Lining operation as part of CCO 48 (Final Tunnel Lining) and accommodate additional personnel in the tunnel (up to 24 additional personnel) which was implemented to accelerate the construction schedule. This change involves installing a 200-horsepower fan on-to the 24-inch air vent pipe to provide the required air-flow in compliance with Cal-OHSA standards. The Contractor initially proposed utilizing a generator to power the fan for duration of the tunnel final lining operation, however, Valley Water requested a more cost-effective power generation option by installing a temporary line power infrastructure, resulting in an approximately 20% reduction in cost. The scope includes fan installation, line power setup, generator usage until line power is fully operational, fan rental through May 2026, and an allowance for fan rental overtime costs. This portion of the change is valued at \$619,041.36.

Contract Change Order #54

1. **Bid Item 11a - Other Wildlife and Fish Species Allowance Increase** - The allowance increase for Bid Item 11a - Other Wildlife and Fish Species, ensures continued necessary environmental services and reimburses the Contractor for the actual costs incurred by qualified biologists while performing work in accordance with Specification Section 19.09 - Other Wildlife and Fish Species. The original contract had provided a fixed allowance of \$250,000.00 for this work, which was depleted in August 2023. Valley Water issued CCO 017, 026 and 042, providing an additional allowance of \$555,080.00, which is nearly expended as of the May 2025 invoice. This change provides an additional allowance to cover projected

costs through November 2026, aligning with Time Impact Analysis (TIA) 06, and ensures uninterrupted services. This portion of the change is valued at \$250,000.00.

ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:

There are no environmental justice and equity impacts associated with this item. This action is unlikely to or will not result in adverse impacts and is not associated with an equity opportunity.

ATTACHMENTS:

Attachment A: Government Code §84308

Attachment 1: Construction Contract Change Orders Status

Attachment 2: Construction Contract Financial Status

UNCLASSIFIED MANAGER:

Ryan McCarter, 408-630-2983

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Attachment A
Government Code §84308

Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

List of Parties and Their Agents/Representatives Known to Staff

<u>Organization Name</u>	<u>Name</u>	<u>Role</u>	<u>Location</u>
Flatiron Dragados West LLC	Javier Sevilla	CEO	1200 Concord Ave. Suite 465 Concord, CA 94520

List of Participants and Their Agents/Representatives Known to Staff

<u>Organization Name</u>	<u>Name</u>	<u>Role</u>	<u>Location</u>
Blocka Construction, Inc.	Robert Blocka	President	445 Boulder Court, Pleasanton, CA 94566
Global Diving & Salvage, Inc.	Devon Grennan	President	1280 Terminal Street West Sacramento, CA 95691
Drill Tech Drilling & Shoring, Inc	Shannon Creson	President	2200 Wymore Way, Antioch CA, 94509
Erosion Control Applications, Inc.	Christopher Fore	President	901 E Orangethorpe Ave, Anaheim, CA 92801.
Pacific Steel Group	Jon Scurlock	President	4805 Murphy Canyon Rd, San Diego, CA 92123
Vadnais Trenchless Services	Paul Vadnais	President	26000 Commercentre Drive, Lake Forest, CA 92630

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**Anderson Dam Tunnel Project
Construction Contract Change (CO) Order Status**

CCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
		4/27/2021	Original Contract	\$161,140,321.00	\$40,000,000.00	Board	
1	1/18/2022	12/16/2021	Additional Tree Removal, Protection and Relocation	\$460,250.41	\$39,539,749.59	DOO	Approved
2	2/14/2022	4/26/2022	Outlet Works Vertical Shaft Re-sizing	\$3,783,119.15	\$35,756,630.44	CEO	Approved
3	5/16/2022	5/17/2022	Water Quality Monitoring Equipment, Miscellaneous demolition, TCEAP VHF/UHF Radios	\$131,603.28	\$35,625,027.16	AOO	Approved
4	6/13/2022	6/30/2022	Tunnel and Miscellaneous Items from CDC-001/001.1, Remove Taber Drilling from Scope	\$386,801.98	\$35,238,225.18	DOO	Approved
5	6/13/2022	6/30/2022	Upsizing Soil Nail Rows D&E from #18 to #20	\$228,562.00	\$35,009,663.18	DOO	Approved
6	7/18/2022	8/6/2022	Increased Quantity of Diversion Portal Excavation, Assistance with Geological Investigations, Internet access to Trailer # 2, and Change of Infill material for High Level Outlet Works (HLOW) Shaft	\$63,063.32	\$34,946,599.86	UM	Approved
7	9/26/2022	10/31/2022	DOS Foundation Excavation - Revised Soil Nail Wall, and Additional Environmental Compliance for Water Quality Monitoring and Soil Testing	\$1,526,724.84	\$33,419,875.02	ACEO	Approved
8	10/18/2022	10/26/2022	Disposal of Regulated and Organic Material	\$80,000.00	\$33,339,875.02	UM	Approved
9	11/14/2022	11/18/2022	3-D Modeling of HLOW Shaft	\$101,101.00	\$33,238,774.02	AOO	Approved
10	12/12/2022	12/19/2022	Monitoring of Additional Piezometer, Supplementary Support for the Transition Zone, DOS Portal Conditions, Partnering	\$1,971,946.48	\$31,266,827.54	ACEO	Approved
11	2/13/2023	12/19/2022	Time Related Overhead Time Impact Analysis 002	\$2,515,330.18	\$28,751,497.36	CEO	Approved
12	2/13/2023	1/19/2023	Increased Quantity of Diversion Tunnel Excavation Class 5	\$1,800,000.00	\$26,951,497.36	ACEO	Approved
13	2/13/2023	2/24/2023	Diversion Outlet Structure (DOS) Energy Dissipation Chamber Grated Access Opening	\$26,000.00	\$26,925,497.36	UM	Approved
14	3/20/2023	4/03/2023	Increased Quantity for 18.5 Foot Diameter Tunnel Excavation Class 5, Increased Quantity for Bid Item No. 2h, 2i, 2j, 2k. Decreased Quantity for Bid Item No. 5a and 5b.	\$156,000.00	\$26,769,497.36	AOO	Approved
15	3/20/2023	4/18/2023	Diversion Outlet Structure CLSM Saturday Premium Time, Diversion Portal Soil Nail Wall Condition	\$436,753.65	\$26,332,743.71	DOO	Approved
16	4/10/2023	5/12/2023	Surge Protection Device for Main Switchgear, CDC 015 Water Quality Instrumentation, Tree Trimming for Pacific Gas & Electric Pole Relocation	\$84,200.00	\$26,248,543.71	AOO	Approved
17	4/10/2023	5/12/2023	Increased Bid Item No. 11A Allowance - Other Wildlife and Fish Species, Specification Section 19.09	\$145,080.00	\$26,103,463.71	AOO	Approved
18	5/15/2023	5/30/2023	Traffic Support for Press Event	\$2,023.00	\$26,101,440.71	AOO	Approved
19	6/30/2023	5/25/2023	Increase Bid Item No. 5x Tunnel Excavation in Transition Zone - Class 5	\$994,500.00	\$25,106,940.71	ACEO	Approved
20	6/30/2023	8/10/2023	18" Hydro Return Line Decommissioning, Low Level Outlet Tunnel Steel Sets Enlargement, DPP8 Boring Survey Assistance, Air Vent Pipe Procurement, CDC 007.3 North Channel FWI Scope 2023, CDC 007.3 North Channel DTDS Scope 2023.	\$1,175,413.01	\$23,931,527.70	ACEO	Approved
21	6/30/2023	7/26/2023	Time Related Overhead Time Impact Analysis 003	\$884,042.66	\$23,047,485.04	ACEO	Approved
22	8/21/2023	7/31/2023	Additional Shotcrete in the Transition Zone, Increase in Bid Item No. 5g – Transition Zone Rock Bolts	\$424,016.00	\$22,623,469.04	DOO	Approved
23	8/21/2023	9/27/2023	Anderson Force Main Galvanic Cathodic Protection, Air Vent Pipe Installation	\$573,874.58	\$22,049,594.46	ACEO	Approved
24	10/16/2023	11/21/2023	Micro-Tunnel Boring Machine (MTBM) Lake Tap Tie Down, Reservoir Log Boom Relocation	\$108,205.00	\$21,941,389.46	AOO	Approved
25	10/16/2023	11/27/2023	North Channel Tree Removal, Allowance Increase for Additional Environmental Compliance for Water Quality Monitoring and Soil Testing, Access Hatch for HLOW Shaft.	\$848,456.00	\$21,092,933.46	ACEO	Approved
26	11/13/2023	12/23/2023	Quantity Increase for Bid Item No. 5d – 24 Foot Diameter Tunnel Excavation Class 3, Quantity Increase for Bid Item No. 5g – Transition Zone Rock Bolts, Allowance Increase for Bid Item No. 11a – Other Wildlife and Fish Species Increase, V-Ditch Extension at 460, Winterization of North Channel Dike 2023	\$833,772.00	\$20,259,161.46	ACEO	Approved
27	12/11/2023	1/04/2024	Cost Increase for DOS Foundation Excavation – Revised Soil Nail Wall, Quantity Increase for Bid Item No. 5r – Pre-excavation Drilling Within Rock Tunnel.	\$1,341,261.43	\$18,917,900.03	ACEO	Approved
28	12/11/2023	1/19/2024	Quantity Increase for Bid Item 4c Lake-Tap Excavation (Dredging) Microtunnel Boring Machine Landing Pad	\$570,375.00	\$18,347,525.03	ACEO	Approved

**Anderson Dam Tunnel Project
Construction Contract Change (CO) Order Status**

CCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
29	1/22/2024	12/26/2023	Bid Item Increase 5o - Probing within Rock Tunnel	\$370,800.00	\$17,976,725.03	DOO	Approved
30	1/22/2024	2/14/2024	Revised Motor Control Center (MCCA) Schedule, Additional Telemetry Pull Box, Material Escalation due to Delay in Issuing Notice to Proceed (NTP) 2A/2B, Credit for Hoot Owl Way Landslide Supplemental Work.	-\$1,822,581.61	\$19,799,306.64	ACEO	Approved
31	2/26/2024	3/20/2024	Cost increase for North Channel Dewatering Wells, 2024 Reservoir Log Boom Relocation Allowance, Alternative Initial Lining - Sawtooth Design Method, Concrete Abrasion Testing, Allowance for Trash Rack Foundation Design Changes	\$1,457,191.11	\$18,342,115.53	ACEO	Approved
32	3/18/2024	4/09/2024	Additional Cost for Diversion Outlet Structure (DOS) Rock Anchors Installation, Geological and Phytophthora Test Pits	\$163,736.00	\$18,178,379.53	AOO	Approved
33	4/22/2024	6/17/2024	Diversion Outlet Structure Roof Top Baffle, Articulated Joint Mockup	\$1,082,734.00	\$17,095,645.53	ACEO	Approved
34	5/20/2024	9/17/2024	North Channel Extension - Dewatering and Dike Design Submittals	\$47,435.00	\$17,048,210.53	UM	Approved
35	4/22/2024	7/05/2024	Coyote Creek Modifications - North Channel	\$10,148,710.20	\$6,899,500.33	CEO	Approved
36	6/17/2024	12/08/2024	Concrete Pad for Generator, Concrete Pad for Main Switchboard (MSA), Differing Site Condition for Dredging Operation	\$2,640,685.00	\$4,258,815.33	CEO	Approved
37	7/15/2024	9/13/2024	Middle Intake Modification, Bid Item Quantity Adjustment (5e, 5o, 5r, 5s, 5t, 5u, 5v), Seismic Pipe Material Deduction	-\$14,948,984.00	\$19,207,799.33	ACEO	Approved
38	8/19/2024	9/28/2024	Bid Item 5c (18.5-foot Diameter Tunnel Excavation – Class 5) Overrun Unit Price Adjustment, Drilling Program Plan 09 (DPP 09) Phase 1, 24-in, 96-in, and 156-in Pipe Extension Material Cost	\$3,799,721.30	\$15,408,078.03	CEO	Approved
39	9/16/2024	11/07/2024	Drilling Program Plan 09 Phase 2, Diversion Outlet Structure Guardrail Kickplate, Time Related Overhead for Time Impact Analysis 004.	\$677,598.98	\$14,730,479.05	ACEO	Approved
40	11/01/2024	12/10/2024	North Channel Hinge Riprap, Coyote Creek Modifications - North Channel Extension, North Channel Extension – Tree Removal and Storage Costs, Increase in Bid Quantity – Bid Item No. 2h, 2i, 2j, and 2k, Credit for Boat Marina Landslide Supplemental Work	\$427,945.00	\$14,302,534.05	ACEO	Approved
41	11/01/2024	12/10/2024	Transition Zone Overrun & Underrun Unit Price Adjustments - Bid Item No. 5g, 5w and 5x, Flexterra 3.75 to 1 Slope and Disposal Pile, Trash Rack Panel Design Change.	\$3,329,997.00	\$10,972,537.05	CEO	Approved
42	12/16/2024	12/18/2024	Migratory Bird LSAA Impact Price Adjustment, Bid Item 11a - Other Wildlife and Fish Species Allowance Increase, Time Impact Analysis (TIA) 005, Bid Item Quantity Adjustment (8d)	-\$360,104.37	\$11,332,641.42	DOO	Approved
43	12/16/2024	12/18/2024	Temporary Power for Tunneling Operations.	\$2,200,000.00	\$9,132,641.42	ACEO	Approved
-	-	1/28/2025	CONTRACT CONTINGENCY FUND INCREASE (\$40,000,000)	-	\$49,132,641.42	Board	Approved
44	1/20/2025	3/06/2025	24" and 96" Steel Pipe Extension Installation Cost	\$1,537,230.00	\$47,595,411.42	ACEO	Approved
45	1/20/2025	3/06/2025	Bid Item No. 5b – 18.5 Foot Diameter Tunnel Excavation Class 4, Unit Price Adjustment, Bid Item No. 11b Increase – Sensitive Plants and Vegetation, Increase to Bid Items 2h, 2i, 2j and 2k, North Channel Boulder Import Costs, Mine Rescue Team.	\$1,249,281.72	\$46,346,129.70	ACEO	Approved
46	2/18/2025	2/28/2025	Time Related Overhead for Time Impact Analysis (TIA) 005	\$4,000,730.10	\$42,345,399.60	CEO	Approved
47	2/18/2025	5/15/2025	Trash Rack Foundation Design Changes Allowance Overrun, North Weir Over Excavation and Test Pits, Specialized Pipe Support Embeds Material Cost	\$1,076,251.10	\$41,269,148.50	ACEO	Approved
48	3/05/2025	6/18/2025	Revised Final Tunnel Lining	\$16,340,862.00	\$24,928,286.50	CEO	Approved
49	3/17/2025	5/12/2025	North Weir Mud Mat Roughening	\$23,490.00	\$24,904,796.50	AOO	Approved
50	5/19/2025	5/22/2025	Time Impact Analysis (TIA) 006, South Channel Tree Removal, North Channel Extension - Tree Removal Overrun, Expansion Joint for North Channel Weir	\$115,796.00	\$24,789,000.50	AOO	Approved

**Anderson Dam Tunnel Project
Construction Contract Change (CO) Order Status**

CCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
51	5/19/2025	TBD	Articulated Joint Mock-up Extras, Coyote Creek Modifications - South Channel, Decommissioning of North Channel Wells, Increase to Bid Item 2e Operate ATS, Allowance increase for Additional Environmental Compliance for Water Quality Monitoring and Soil Testing Additional Conduit and Wiring Between ATS and Generator, Removal of Milestone 3 Waterline Scope, MTBM Chamber 96-inch Pipe Material Credit	\$3,144,786.41	\$21,644,214.09	CEO	Pending
52	6/16/2025	TBD	Revised SWPPP Development, North Channel Extension Additional Dewatering, Builder's Risk Extension TIA 005	\$944,049.00	\$20,700,165.09	ACEO	Pending
DCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
1	09/26/22	10/05/22	Milestone 7, 9, and 10 Completion Revisions	\$0.00	\$20,700,165.09	UM	Approved

New CCOs for CIP Committee

Pending CCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
53	7/21/2025	TBD	Tunnel Ventilation for Final Tunnel Lining	\$619,041.46	\$20,081,123.63	ACEO	Pending
54	7/21/2025	TBD	Bid Item 11a - Other Wildlife and Fish Species Allowance Increase,	\$250,000.00	\$19,831,123.63	DOO	Pending

Total COs Approved	51			Total	\$55,210,999.50	\$24,789,000.50	
Total COs Pending	4			Total	\$4,957,876.87	\$19,831,123.63	

Total Number of COs (Approved & Pending)	Total Amount of COs (Approved & Pending)
55	\$60,168,876.37

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Anderson Dam Tunnel Project - Construction Contract Financials

Bid Item No.	Description	Amount	Balance Remaining	Billing Through May 2025	
				Percent (%)	Amount
1	MOBILIZATION AND DEMOBILIZATION	\$ 16,150,000.00	\$ 1,782,750.00	89.0%	\$ 14,367,250.00
2	SITE PREPARATION	\$ 5,713,000.00	\$ 293,757.78	94.9%	\$ 5,419,242.22
3	DIVERSION PORTAL	\$ 6,173,496.00	\$ 252,206.40	95.9%	\$ 5,921,289.60
4	LAKE-TAP PORTAL	\$ 4,215,000.00	\$ 252,355.00	94.0%	\$ 3,962,645.00
5	TUNNEL EXCAVATION AND LINING	\$ 47,438,325.00	\$ 12,456,703.15	73.7%	\$ 34,981,621.85
6	SHAFT EXCAVATION AND LINING	\$ 10,100,000.00	\$ 4,236,360.00	58.1%	\$ 5,863,640.00
7	MICROTUNNEL	\$ 9,982,000.00	\$ 24,008.00	99.8%	\$ 9,957,992.00
8	DIVERSION OUTLET STRUCTURE	\$ 48,678,550.00	\$ 14,746,015.26	69.7%	\$ 33,932,534.74
9	COYOTE CREEK MODIFICATIONS	\$ 6,421,550.00	\$ 20,000.00	99.7%	\$ 6,401,550.00
10	SUPPLEMENTAL WORK ITEMS	\$ 5,668,400.00	\$ 131,500.00	97.7%	\$ 5,536,900.00
11	ALLOWANCES	\$ 600,000.00	\$ 110,248.73	81.6%	\$ 489,751.27
		Total Original Contract Amount	Total Balance Remaining	Percent (%) Billed	Total Billed To Original Contract Amount
		\$ 161,140,321.00	\$ 34,305,904.32	79%	\$ 126,834,416.68

CCOs	Description	Amount	Balance Remaining	Billing Through May 2025	
				Percent (%)	Amount
CCO 1-47,49	CONTRACT CHANGE ORDERS (CCO)	\$ 38,754,341.56	\$ 9,113,659.11	76%	\$ 29,640,682.45
		Total Contract Amount Including CCOs	Total Balance Remaining Including CCOs	Total Percent (%) Billed Including CCOs	Total Billed Including CCOs
		\$ 199,894,662.56	\$ 43,419,563.43	78%	\$ 156,475,099.13

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Santa Clara Valley Water District

File No.: 25-0596

Agenda Date: 7/31/2025

Item No.: 4.5.

COMMITTEE AGENDA MEMORANDUM **Capital Improvement Program Committee**

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Review 2025 Capital Improvement Program Committee Work Plan.

RECOMMENDATION:

Review the 2025 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

SUMMARY:

Work Plans are created and implemented by all Board Committees to increase Committee efficiency, provide increased public notice of intended Committee discussions, and enable improved follow-up by staff. Work Plans are dynamic documents managed by Committee Chairs and are subject to change. Committee Work Plans also serve to assist in preparing an Annual Committee Accomplishments Reports.

Discussion of topics as stated in the Plan have been described based on information from the following sources:

- Items referred to the Committee by the Board;
- Items requested by the Committee to be brought back by staff;
- Items scheduled for presentation to the full Board of Directors and
- Items identified by staff.

Regular monthly meetings are scheduled to occur at 11:00 a.m., on the third Monday of each month, or at the call of the Committee Chair.

Establishing a work plan and meeting schedule is necessary to provide staff with a basis for meeting planning, logistics coordination, and agenda item preparation. Attachment 1 is the 2025 CIP committee work plan for review and comments by the CIP committee.

ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:

There are no environmental justice and equity impacts associated with this item. This action is unlikely to or will not result in human health or environmental effects.

ATTACHMENTS:

Attachment 1: 2025 CIP Committee Work Plan

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

CIP Committee 2025 Work Plan

	Jan	Feb	5-Mar*	17-Mar	Apr	May	16-Jun	25-Jun*	Jul	Aug	Sep	Oct	Nov	Dec
Capital Project Monitoring														
Feasibility/Planning	X				X				X			X		
Design/Permitting		X				X				X			X	
Construction				X			X				X			X
Environmental Permit Compliance (Post Construction)							X							
CIP Implementation														
Master Plan Implementation Projects				X										
10-Year Pipeline Inspection and Rehabilitation Project					X									
Calero & Guadalupe Dams Seismic Retrofit - Design & Construction Projects												X		
Upper Guadalupe – SPRR to Blossom Hill – Project and Funding status update									X					
Anderson Dam Seismic Retrofit Project Procurement Plan									X					
Consultant Agreement Amendment and Construction Change Order Processes / Response to Concerns Re: Collection of Anderson Dam Projects									X					
Calabazas/San Tomas Aquino Creek Staff Recommended Alternative													X	
CIP Development														
CIP Development Process														
• Annual CIP Development Process, Integrated Financial Planning, and Review of CIP FY2025-29 Five-Year Plan Projects by Category											X			
• Review of Initially Validated and Unfunded Projects												X		
CIP Preliminary Five-Year Plan Review														X
• Review Significant Project Plan Updates														X
Standing Items														
Anderson Dam Tunnel Project Contingency and Change Order Monitoring	X	X	X	X	X	X	X		X	X	X	X	X	X
Upcoming Consultant Agreement Amendments	X	X		X	X	X	X	X	X	X	X	X	X	X
Workplan	X	X	X	X	X	X	X		X	X	X	X	X	X
Minutes	X	X		X	X	X	X		X	X	X	X	X	X
Annual Election of Committee Officer		X												

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