



CAPITAL IMPROVEMENT PROGRAM MEETING

MINUTES

**MONDAY, OCTOBER 17, 2022
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 Program Committee (Committee) was called to order at 5700 Almaden Expressway in San Jose, California at 11:00 a.m. and via Zoom teleconference.

1.1 Roll Call.

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

District 3 Director Richard Santos attended without participating in the discussion.

Staff in attendance was Eva Sans, Assistant Deputy Clerk II.

Staff members in attendance were J. Abadilla, J. Aranda, G. Adriano, H. Angeles, E. Aryee, A. Baker, E. Baker, S. Baqleh, H. Barrientos, A. Beaman, S. Berning, R. Blank, J. Bourgeois, T. Bridgen, L. Buckley, D. Cahen, F. Chak, B. Ching, J. Collins, M. Cook, M. Ganjoo, C. Gayotin, V. Gutierrez, A. Gschwind, C. Hakes, J. Ham, H. Hoang, K. Jessop, S. Julian, M. King, O. Leonardo, J. Martin, R. McCarter, P. McElroy, M. Mendez, J. Middleton, D. Montenegro, C. Narayanan, T. Ndah, M. Nguyen, L. Orta, L. Penilla, A. Phagan, B. Ponce, M. Potter, D. Rocha, D. Taylor, G. Williams, and T. Yoke.

Guest in attendance: Gabriel Alcantara, Donnalyn Steffanie, and Nicole Witt, unknown affiliation; David Gehrig, Hanson Bridgett; Ted Feldsher and Bob Green, AECOM; and Eric Zagol, Mott MacDonald.

2. TIME OPEN FOR PUBLIC COMMENTS 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 present who wished to speak.

3. APPROVAL OF MINUTES:

3.1 Approval of September 26, 2022 Capital Improvement Program Committee Minutes.

Recommendation: Approve the minutes.

It was moved by Director Estremera, seconded by Director LeZotte, and unanimously approved that the September 26, 2022 minutes be approved as presented.

4. ACTION ITEMS:

4.1 Review Capital Project Monitoring - Feasibility and Planning Report.

Recommendation: Receive updates on projects in the feasibility and planning phase, discuss resource needs, and make recommendations as necessary.

Several staff reviewed the information on this item per the attached Committee Agenda Memo, and the corresponding material contained in Attachment 1.

The Committee noted the following without taking a formal action:

On Line 6, *Water Treatment Plant Master Plan Implementation*, staff stated that they would present more detail to the CIP Committee during the next regular update on projects in the Planning and Feasibility phase.

On Line 15, *Ogier Ponds Planning Study*, staff confirmed that there was a verbal commitment to proceed on the Property Use Agreement from Santa Clara County Parks and Recreation Department.

On Line 16, *Headquarters Operations Building*, staff noted that the assessment was only for the Maintenance Building and not for any other Valley Water buildings; and that staff would provide FY22 expenditures to the Committee at the next meeting.

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

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

Chris Hakes, Deputy Operating Officer, reviewed the information on this item per the Committee agenda memo and per the information contained in Attachment 1.

The Committee noted the information without taking 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.

Chris Hakes, Deputy Operating Officer, and Henry Barrientos, Senior Water Resources Specialist, reviewed the information on this item per the attached Committee agenda memo.

The Committee received information that:

- Staff would present to the Water Storage Exploratory Committee the summary of the planning phase as well as the updated schedule in preparing the EIS for the *Pacheco Reservoir Expansion Project*.
- Since Phase 4 exploration for the Pacheco Reservoir Expansion Project had just started, it would necessitate a change in the existing contract which would be brought up to the full Board.

The Committee noted the information without taking formal action.

4.4 Design Build Agreement for the Coyote Pumping Plant Adjustable Speed Drives Replacement Project Update.

Recommendation: Receive update and information on Design-Build Agreement for the Coyote Pumping Plant Adjustable Speed Drives Replacement Project.

Emmanuel Aryee, Deputy Operating Officer, reviewed the information on this item per the attached Committee agenda memo and made a presentation on the corresponding presentation material contained in Attachment 1. He added that this was one of two projects that had been chosen for this procurement action on the Design-Build delivery method, and that the aim of this project was to replace electrical equipment as well as mechanical and control systems at the Coyote Pumping Plant.

The Committee received information that:

- Some of the benefits include providing a single point of accountability and responsibility, one-contract for both design and construction, etc.
- The Design-Build agreements are generally only amended twice, but beyond Amendment #2, there could theoretically still be another amendment during construction, but that this is usually handled with change orders, as described by David Gehrig, Hanson and Bridgett, the outside attorney who is assisting VW's Legal Counsel.

The Committee noted the information, without taking a formal action.

4.5 Overview of the Annual Capital Improvement Program Process and Integrated Financial Planning Schedule for Capital Projects, and Review of the Currently Unfunded Projects.

Recommendation: A. Receive overview of the Annual Capital Improvement Program Process and Integrated Financial Planning Schedule;
B. Review list of Currently Unfunded Capital Projects; and
C. Provide feedback as necessary.

Jennifer Martin, Program Administrator, presented for Jessica Collins, Business Planning & Analysis Manager, and reviewed the information on this item per the attached Committee agenda memo and the corresponding presentation material contained in Attachment 1.

The Committee noted the information without taking formal action.

4.5 Review 2022 Capital Improvement Program Committee Work Plan.

Recommendation: Review the 2022 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

Chairperson Hsueh reviewed the items on the work plan for the next meeting on November 14, 2022, and added that the item on *Review Significant Project Plan Updates*, would be the focus of the next discussion and would be related to Darin Taylor's September 1, 2022 CIP presentation on *Inflation Trends Impact*.

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

Eva Sans, Assistant Deputy Clerk II, requested clarification on the manner the Committee wanted to receive information to be provided by Tony Ndah during the discussion of Item 4.1, Review Capital Project Monitoring - Feasibility and Planning Report . The information was already available and Tony Ndah announced that FY22 expenditures for the *Headquarters Operations Building*, Project No. 60204032 was for the consultant contracts with a not-to-exceed amount of \$415,000.

6. ADJOURN.

6.1 Adjourn to Special Meeting at 11:00 a.m. on November 14, 2022.

Chairperson Hsueh adjourned the meeting at 12:15 p.m. to the next meeting on November 14, 2022.

Eva Sans
Assistant Deputy Clerk II

Approved:
Date: