

November 10, 2022

MEETING NOTICE**SANTA CLARA VALLEY WATER DISTRICT
CAPITAL IMPROVEMENT PROGRAM COMMITTEE**

Members of the Capital Improvement Program Committee:

Director Nai Hsueh, Chairperson
Director Linda LeZotte, Vice Chairperson
Director Tony Estremera, Committee Member

Staff Support of the Capital Improvement Program Committee:

Rick L. Callender, Esq., Chief Executive Officer
Melanie Richardson, Asst. Chief Officer
Leslie Orta, Senior Assistant District Counsel
Audrey Beaman, Assistant District Counsel
Rachael Gibson, Chief of External Affairs
Tina Yoke, Chief Administrative Officer
Darin Taylor, Chief Financial Officer
Aaron Baker, Chief Operating Officer – Water Utility
Rechelle Blank, Chief Operating Officer – Watersheds
Sam Bogale, Deputy Operating Officer
Tony Ndah, Deputy Administrative Officer
Don Rocha, Deputy Administrative Officer
Michael Cook, Deputy Administrative Officer
Christopher Hakes, Deputy Operating Officer
Bhavani Yerrapotu, Deputy Operating Officer
John Bourgeois, Deputy Operating Officer
Jennifer Codianne, Deputy Operating Officer
Emmanuel Aryee, Deputy Operating Officer
Vincent Gin, Deputy Operating Officer
Gregory Williams, Deputy Operating Officer
Patrice McElroy, Deputy Administrative Officer
Lisa Bankosh, Assistant Officer
Alex Gordon, Assistant Officer
Bryant Welch, Labor Relations Officer
David Montenegro, Principal Construction Contracts Administrator

Erin Baker, Asset Management Manager
Charlene Sun, Treasure & Debt Manager
Jessica Collins, Business Planning and Analysis Unit Manager
Enrique De Anda, Budget Manager
Jennifer Martin, Program Administrator
Conception Gayotin, Purchasing & Contracts Manager
Linh Hoang, Communications Manager
Jill Bernhard, Acting System Development & Support Manager
Sarah Berning, Program Administrator
Phyllis Chen, Senior Management Analyst
Alison Phagan, Senior Management Analyst
Stacy Klopfer, Senior Management Analyst
Agnes Lee, Senior Management Analyst
Chenlei Yao, Senior Management Analyst
Feliser Lee, Senior Management Analyst
Timothy Chan, Management Analyst II
Kristie Resendez, Management Analyst II
Odilia Leonardo, Staff Analyst

A Santa Clara Valley Water District special Capital Improvement Program Committee meeting has been scheduled to occur at 11:00 a.m. on Monday, November 14, 2022 in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden, San Jose, CA.

Members of the public may join at: <https://valleywater.zoom.us/j/94158013374>

The meeting agenda and corresponding materials are located on the Committee's website at: <https://www.valleywater.org/how-we-operate/committees/board-committees>.

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Santa Clara Valley Water District Capital Improvement Program Committee Meeting

Join Zoom Meeting
<https://valleywater.zoom.us/j/94158013374>

Headquarters Building Boardroom
5700 Almaden Expressway
San Jose, CA 95118

SPECIAL MEETING AGENDA

**Monday, November 14, 2022
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

Director Linda J. LeZotte, District 4

During the COVID-19 restrictions, 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

COMMITTEE CLERK:
Eva Marie Sans
Assistant Deputy Clerk II
408-265-2306
esans@valleywater.org
www.valleywater.org

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
SPECIAL MEETING
AGENDA**

Monday, November 14, 2022

11:00 AM

Join Zoom Meeting
<https://valleywater.zoom.us/j/94158013374>

Headquarters Building Boardroom
5700 Almaden Expressway, San Jose, CA 95118

*****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 at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the “Raise Hand” tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board 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: 941 580 13374
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 Committee on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If 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 Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

- 3.1. Approval of October 17, 2022 Capital Improvement Program Committee Minutes. [22-1219](#)
Recommendation: Approve the minutes.
Manager: Candice Kwok-Smith, 408-630-3193
Attachments: [Attachment 1: 101722 CIP Committee Minutes](#)
Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

- 4.1. Receive and Discuss Information Regarding the Status of Capital Projects in the Design and Permitting Phase. [22-1206](#)
Recommendation: Receive and discuss information regarding the status of capital projects in the design and permitting phase.
Manager: Bhavani Yerrapotu, 408-630-2735
Emmanuel Aryee, 408-630-3074
Christopher Hakes, 408-630-3796
Attachments: [Attachment 1: Design and Permitting Report](#)
Est. Staff Time: 15 Minutes
- 4.2. Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract. [22-1207](#)
Recommendation: Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.
Manager: Christopher Hakes, 408-630-3796
Attachments: [Attachment 1: Construction Contract Change Orders Status](#)
Est. Staff Time: 5 Minutes
- 4.3. Receive Information on Upcoming Consultant Agreement Amendments for Capital Projects. [22-1208](#)
Recommendation: Receive information on upcoming consultant agreement amendments for capital projects.
Manager: Emmanuel Aryee, 408-630-3074
Chris Hakes, 408-630-3796
Bhavani Yerrapotu, 408-630-2735
Est. Staff Time: 5 Minutes

- 4.4. Review Significant Project Plan Updates Since Adoption of the Capital Improvement Program's Fiscal Year 2023-27 Five-Year Plan. [22-1205](#)

Recommendation: Review Significant Project Plan Updates Since Adoption of the Capital Improvement Program's (CIP) Fiscal Year 2023-27 (FY 23-27) Five-Year Plan and provide feedback, as necessary.

Manager: Luz Penilla, 408-630-2228

Attachments: [Attachment 1: Capital Project Plan Updates](#)
[Attachment 2: PowerPoint](#)

Est. Staff Time: 25 Minutes

- 4.5. Review 2022 Capital Improvement Program Committee Work Plan. [22-1254](#)

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

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

Attachments: [Attachment 1: 2022 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 to Special Meeting at 11:00 a.m. on December 12, 2022.

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Santa Clara Valley Water District

File No.: 22-1219

Agenda Date: 11/14/2022

Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Approval of October 17, 2022 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.

ATTACHMENTS:

Attachment 1: 101722 CIP Committee Minutes

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

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CAPITAL IMPROVEMENT PROGRAM MEETING

DRAFT 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:



Santa Clara Valley Water District

File No.: 22-1206

Agenda Date: 11/14/2022

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Receive and Discuss Information Regarding the Status of Capital Projects in the Design and Permitting Phase.

RECOMMENDATION:

Receive and discuss information regarding the status of capital projects in the design and permitting phase.

SUMMARY:

The 2022 Work Plan for the Board Capital Improvement Program Committee (Committee) includes monitoring of capital projects during all phases of development. Staff will present a list of active projects at each Committee meeting and provide detailed information on those where potential and/or significant issues have been identified. The projects presented for discussion will be organized by phases: planning/feasibility; design; and construction. Staff will present projects to the Committee for review one phase at a time. Projects currently in the design/permitting phase are being presented at this Committee meeting. Other attachments may be included to provide more detail on other items associated with these projects.

Attachment 1 is a list of projects in the design and permitting phase. A verbal report will be provided at the meeting with more detailed information about recent developments on the projects listed in Attachment 1.

ATTACHMENTS:

Attachment 1: Design and Permitting Report

UNCLASSIFIED MANAGER:

Bhavani Yerrapotu, 408-630-2735

Emmanuel Aryee, 408-630-3074

Christopher Hakes, 408-630-3796

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Capital Project Monitoring Report - November 2022

Design and Permitting Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	Planned CM Services		
				Internal	External	Combination
Water Supply						
1	91234002	Coyote Pumping Plant ASD Replacement	Request for Proposal (RFP) was issued in November 2021 and a proposal was received from the individual qualified proposer on February 16, 2022. The proposal was reviewed, evaluated, and negotiations with the proposer have been completed. Staff presented an update and the design build agreement to the CIP Committee in October 2022. Staff will present the California Environmental Quality Act (CEQA) document and the Engineer's Report to the Board in November 2022, along with the design-build agreement.			X
2	95084002	10-Yr Pipeline Inspection & Rehabilitation Project (Santa Clara Conduit Inspection and Rehabilitation Project - Phase 2)	Final design will be complete by January 2023. Advertisement is scheduled for March 2023.	X		
3	95084002	10-Yr Pipeline Inspection & Rehabilitation Project (Snell Pipeline)	Staff has incorporated the 90% review comments and is working to complete 100% design by December 2022. Final design and advertisement are scheduled for March 2023.	X		
4	95084002	10-Yr Pipeline Inspection & Rehabilitation Project (West Pipeline)	Staff is working to complete the 90% design by December 2022.	X		
5	26764001	A3: IRP2 Additional Line Valves	Snell Pipeline valve construction is scheduled to occur with the Snell Pipeline Inspection and Rehabilitation Project in summer 2023. Design for all four valves has been completed. Construction on the first line valve located at the Snell Pipeline will proceed together with the Snell Pipeline Inspection and Rehabilitation construction project scheduled for summer 2023.	X		
6	92144001	Pacheco/Santa Clara Conduit Right-of-Way Acquisition Project	Title reports and plat maps for property acquisitions were completed in September 2022. The National Environmental Policy Act (NEPA) documents were posted for public review in August and the review ended in September 2022.	X		
7	94084007	Treated Water Isolation Valves Project	Staff completed 60% design in October 2022. 90% design is scheduled to be completed by January 2023.	X		
8	92264001	Vasona Pump Station Upgrade Project	The final 30% design documents were completed in May 2022. Request for Qualifications solicitation was published in September 2022 and the RFP is anticipated in March 2023. The final CEQA Memorandum is anticipated to be completed in December 2022.			
9	93234044	Penitencia WTP Residuals Management Project	Several workshops were conducted in August and September to evaluate project alternatives, which concluded in the selection and recommendation of a preferred project alternative. An Alternatives Development Report and Preliminary Design Report are therefore being prepared to memorialize these preliminary design phase activities. The project is projected to transition into the 30% design phase in December 2022.	X		
10	93294057	Rinconada WTP Reliability Improvement Project	The Engineer of Record is preparing plans and specifications to advertise the remaining reliability improvements for construction, incorporating lessons learned and design enhancements for the latest codes, plant water system upgrades, and future improvements. The 70% design submittal was completed in September 2022 and the Final Design submittal is anticipated in November 2022. A Consultant agreement for construction management and inspections services is currently being negotiated.			X
11	93084004	WTP Electrical Improvement Project	A scope change to replace two motor control centers in the project is currently underway by staff. 90% design documents are underway and anticipated to be completed July 2023.	X		
12	91094001	Land Rights- South County Recycled Water Pipeline	Permission to Enter and as-builts collection have been completed to initiate the pipeline location activities.	N/A		
13	91894002	Guadalupe Dam Seismic Retrofit - Design & Construct	Preliminary 90% design documentation was submitted by the consultant in December 2020. Design documentation is under review.			X
14	91954002	Pacheco Reservoir Expansion Project	Staff and the consultant team are working on addressing the Draft Environmental Impact Report (EIR) comments and developing a plan for the Final EIR. The team submitted the 30% design package to Division of Safety of Dams (DSOD) in June 2022 for review and comment along with a portion of the DSOD permit fee. Planning documents are being revised and finalized to reflect the earthfill dam design included in the 30% design since the hardfill dam option was abandoned based on DSOD concerns. Additional environmental and geotechnical field investigations have started and will continue into late 2023. Consultant agreement amendments to extend the term of agreements for both project consultants (Planning/Design/Environmental Consultant [PDEC] & Project Management Consultant [PMC]) were presented to the CIP Committee on October 17, 2022, where the PDEC requested a retention modification amendment. Next steps are to present a project status update at the Water Storage Exploratory Committee in November 2022, followed by a project status update at the Board meeting in December 2022, including an amendment to extend the PDEC's agreement and to modify retention.			X

Capital Project Monitoring Report - November 2022

Design and Permitting Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	Planned CM Services		
				Internal	External	Combination
15	91864005	Anderson Dam Seismic Retrofit (C1: Fund Transfer KPI)	The 90% design for Anderson Dam Seismic Retrofit Project (ADSRP) is currently underway with the 90% drawings and specifications currently under review by staff. The 90% design documents are scheduled to be submitted for Federal Energy Regulatory Commission (FERC), DSOD, and Board of Consultant (BOC) review in February 2023. BOC Meeting No. 16 to discuss the 90% design documents and a Construction Potential Failure Mode Analysis (PFMA) Workshop is scheduled for March 2023. The 90% construction cost estimate is scheduled to be completed in March 2023. The 90% design for interim dam winterization, spillway improvements, and County Park restorations are scheduled to be submitted for FERC, DSOD, and BOC review in May 2023 to complete the 90% design documents. If comments on the 90% design documents from FERC, DSOD, and BOC are provided by July 2023, the final design is anticipated to be completed and submitted for FERC, DSOD, and BOC review in early 2024. Agreements with the design and environmental consultants require amendments to accommodate changes in scope.			X
16	91864008	Coyote Creek Chillers Plant Project	The Board of Directors approved and authorized the project for advertisement for bids on July 12, 2022. On September 13, 2022, the Board rejected all bids; the project will be re-advertised at a later time. In the interim, Valley Water will continue fish rescue and relocation activities consistent with approved plans.	X		
17	91864007	Coyote Creek Flood Management Measures Project	Due to the Anderson Dam Seismic Retrofit Project (ASDRP) FERC Order, this project was split off from Coyote Creek Flood Protection Project to be completed before Anderson Dam Tunnel Project (ADTP) is operational. The design consultant submitted the draft 100% submittal documents on August 2, 2022. Staff submitted an updated amendment to the Federal Energy Regulatory Commission Order Compliance Project (FOCP) Lake and Streambed Alteration Agreement (LSAA) and the Condition 7 Plan as part of the FOCP 401 certification in October 2022. Right-of-way transactions are in progress with appraisals and offer packages being prepared by the real estate consultant, ARWS. Current project cost estimates are significantly higher than the budgeted costs primarily due to inflation, real estate costs, design modifications to accommodate proximity to the residents, and field conditions requiring more complex design than anticipated. Staff is looking at alternatives to fund this difference. The construction documents are scheduled for advertisement in December 2022 with an anticipated start of construction in March 2023. Staff is in the process of procuring construction management consultant services and anticipates to bring that for Board consideration in December 2022/January 2023.		X	
18	91864009	Coyote Percolation Dam Replacement Project	The draft 90% plans and specifications have been completed and are awaiting Valley Water and external agency review comments. Staff is working on 100% design and the final design is scheduled to be completed by December 2022. Upcoming Board Action is to Authorize Staff to Advertise Construction Contract in January 24, 2023.	X		X
Flood Protection						
19	10394001	Palo Alto Flood Basin Tide Gate Structure Replacement	<p>Staff is currently working on the 100% design and anticipates completion of the design in early 2023, including coordination of reviews and approval by the City of Palo Alto. There is a significant increase in construction costs largely due to excavation, increased cost of fill, control of water, and biological monitoring permit requirements. Staff is working on funding and financial impacts and will bring forward recommendations as part of FY24-28 CIP development. Staff is negotiating with the City of Palo Alto and City of Mountain View on cost sharing for the project.</p> <p>Final CEQA Mitigated Negative Declarations (MND) was adopted by the Board on April 27, 2021. All regulatory permits have been acquired except the United States Army Corps of Engineers (USACE) 404 Individual Permit which Valley Water currently has in-hand and is reviewing before signing. Project onsite construction will be limited to five month work windows from September through January due to bird nesting seasons, and is anticipated to take place over four seasons.</p> <p>The Valley Water Board of Directors approved an agreement for construction management services in March 2022. However, due to the increased project costs, Staff will be re-advertising the contractor pre-qualifications to meet the revised project cost estimates. Staff will be recommending Board approval of an amendment to existing design services agreement to add engineering services during construction in order to maintain the record engineer support.</p>		X	

Capital Project Monitoring Report - November 2022

Design and Permitting Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	Planned CM Services		
				Internal	External	Combination
20	26284002	E5: San Francisquito Creek - Upstream of HWY 101	<p>The project consists of four distinct but interrelated sub-projects in various stages of design. Final EIR for the project was certified in September 2019 and San Francisquito Creek Joint Powers Authority (SFCJPA) submitted draft permit applications in July 2022.</p> <p>1) Newell Road Bridge Design and construction for this project is led by the City of Palo Alto. Valley Water's role as a member agency of SFCJPA is to provide the technical review of the project. The City of Palo Alto secured Caltrans Highway Bridge Program funding for design and right-of-way acquisitions and is seeking to secure the funds for construction. Currently this project is anticipated to start construction in summer 2023.</p> <p>2) Channel Widening design Design for this sub-project is at 60%. SFCJPA is looking to have this project funded through the USACE Continuing Authorities Program (CAP) 205 Process. A feasibility study report was completed in July 2022 and final study report is expected in early 2023. USACE and SFCJPA completed the NEPA scoping workshop in October 2021. Construction for this project is anticipated to start in summer 2024, pending CAP 205 funding.</p> <p>3) Top of Bank improvements Design for top-of-bank improvements is currently underway and because of the extent of the improvements that go beyond the scope of the Final EIR, SFCJPA is in the process of procuring a consultant for completing a supplemental EIR for this scope of work. Construction for this sub-project is anticipated in summer of 2024 to coincide with channel widening construction.</p> <p>4) Pope-Chaucer Bridge Design for this sub-project is at 80%. Construction is anticipated to start in summer of 2025 following the completion of the Channel Widening, Top of Bank improvements and Newell Road Bridge construction.</p>		X	
21	26074002	E2: Sunnyvale East and West Channels	<p>Project design is 99% complete. Google has received the regulatory permits for their new campus development. Valley Water is working to resubmit the Sunnyvale East and West Channels project permits since the Regional Water Quality Control Board (RWQCB) deemed Valley Water's 2017 San Francisco Bay Area Joint Aquatic Resources Permit Application (JARPA) expired/outdated. Valley Water's Board of Directors approved the CEQA addendum and the agreement with Google at their February 22, 2022 meeting. Valley Water anticipates resubmitting the permit applications to various Resource Agencies (USACE, RWQCB, California Department of Fish and Wildlife, Bay Conservation Development Commission) in October/November 2022. The project is included as part of the WIFIA funding package which requires an Environmental Protection Agency (EPA) Section 7 consultation. Staff received initial comments and is reviewing those to respond.</p>	X		
22	26154003	E8: Upper Guadalupe River - SPRR to Blossom Hill Road (Reaches 7-12)	<p>In January 2021, the USACE began re-evaluating the entire project, including re-evaluating the project's alternatives and benefit-cost-ratio, with the goal of making the project more competitive for federal funding. The study will take three years and is estimated to be completed by January 2024. On September 9, 2022 USACE presented the "Tentatively Selected plan" and Staff reviewed and supported the plan. USACE provided a draft EA/Feasibility Report for Valley Water review on October 3, 2022. Valley Water is reviewing and will provide comments to the report.</p>	N/A	USACE construction	
23	26174043	E1: Coyote Creek - Montague Expressway to Tully Road (for 2017 flood event criteria)	<p>Due to the ASDRP FERC Order, this project was split into two projects: Coyote Creek Flood Management Measures Project (CCFMMP) and Coyote Creek Flood Protection Project (CCFPP). Final draft Planning Study Report for the CCFPP and CCFMMP to protect from a 2017 equivalent flood event was completed in March 2022. The design consultant has completed the 30% design documents and submitted them for review in April 2022. Staff is in the process of seeking construction management consultant services for CCFMMP and anticipates bringing a consultant agreement for construction management services for Board approval in December 2022/January 2023. The consultant selection will include an option to, at Valley Water's discretion, consider the same consultant for CCFPP construction management services.</p>		X	
24	26174051 26174052	E6: Upper Llagas Creek, Phase 2B (Portion of Reach 8, and Reaches 6, 7B, and 14)	<p>Project is fully permitted, with Phase 1 completed, and Phase 2A in construction. The project's last phase, Phase 2B, is seeking funding options. On August 17, 2021, the National Resource Conservation Service (NRCS) notified Valley Water of committed funding to construct Phase 2B. The funding amount available is up to \$80M. Staff is working to satisfy NRCS' requirements as quickly as possible. Staff was informed by the EPA that Upper Llagas Phase 2B would not be eligible for a Water Infrastructure Finance and Innovation Act (WIFIA) loan because of USACE involvement per the Water Resources Development Act (WRDA).</p>			X (2B-TBD)
25	00044026	San Francisco Bay Shoreline, EIA 11 - Alviso Slough to Coyote Creek Bypass (E7: 26444001, 26444002, 26444004)	<p>Design of Union Pacific Railroad closure and pedestrian bridge structures on hold pending path forward on impact to railroad operation, bridge height, and resolution on resource agency comments. Design of Reaches 4-5 elements is on hold to explore funding sources for project cost shortfalls and ways to lower Reaches 4-5 costs.</p>	N/A	USACE construction	

Capital Project Monitoring Report - November 2022

Design and Permitting Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	Planned CM Services		
				Internal	External	Combination
26	62084001	Watershed Asset Rehabilitation Program (WARP)	Under the WARP, several concurrent projects are being developed for construction in summer 2023. These include two erosion repair projects on Guadalupe River and one on Coyote Creek for animal damage restoration. For summer of 2024, four projects are in various stages of design: U-Frame replacement on Permanente Creek and Hale Creek and erosion repair on Coyote Creek and Guadalupe River.	X		

Water Resources Stewardship

27	26044001	D4: Almaden Lake Improvements	Final EIR was certified by Board of Directors on May 11, 2021. At the May 11 meeting, the Board of Directors selected the project to be constructed under Key Performance Indicator (KPI) #2 of Safe Clean Water (SCW) D4. Staff is finalizing the 60% plans. The 60% cost estimate is significantly higher than budgeted so staff is looking at alternatives for cost saving measures. Staff is pursuing a WIFIA loan and will incorporate compliance requirements into the contract documents.	X		
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Buildings & IT

No projects to report



Santa Clara Valley Water District

File No.: 22-1207

Agenda Date: 11/14/2022

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

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 No. 91864005. 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 Anderson Dam Tunnel Project (ADTP).

On April 27, 2021, Valley Water's Board of Directors awarded the construction contract for the Anderson Dam Tunnel Project (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.

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 Anderson Dam Tunnel Project 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 pending contract change orders (CCO #7 and CCO #9) for November 14, 2022 CIP meeting to present.

Contract Change Order #7

- 1. Disposal Area Parking Lot Remediation.** Valley Water requested Flatiron to assist with unforeseen repairs to the parking lot surface at the Disposal Site. This work includes the costs for saw cutting, excavation and backfilling with compacted materials and is valued at \$9,108.50.
- 2. DOS Foundation Excavation - Revised Soil Nail Wall.** Valley Water issued Contract Design Clarification (CDC) 18 with revised plans for installation of additional soil nails on the 0.5:1 slope at the Diversion Outlet Structure to address safety concerns related to the excavation sequence of the slope. This work includes the costs for installation of additional rows of soil nails, changes to sequence of work for excavation and placement of shotcrete lifts over welded wire mesh. In order to keep the work progressing, Valley Water authorized Flatiron to proceed with the revised soil nail wall per Section 3.07.03 Time-and Materials Work with a not-to-exceed amount of \$1,000,000.00. Valley Water and Flatiron will determine the exact price for this work once the information becomes available to the parties.
- 3. Additional Environmental Compliance for Water Quality Monitoring and Soil Testing.** Valley Water issued CDC 005 to Flatiron which included environmental compliance permits obtained by Valley Water with additional requirements for water quality monitoring and soil testing. This work includes costs for approximately 15 months of soil testing, water quality monitoring, and purchase of handheld monitoring equipment. This portion of change order work is to be completed under Section 3.07.03 Time and Materials Work with a not-to exceed amount of \$517,616.34. Valley Water and Flatiron will determine the exact price for this work once the information becomes available to the parties.

Contract Change Order #9

- 1. 3-D Modeling of HLOW Shaft.** Due to design changes in the High-Level Outlet Works (HLOW) Shaft and the potential interactions with the Tunnel Y-Transition zone, Valley Water requested Flatiron to subcontract a numerical 3-Dimensional Analysis Model of the ground support. This work includes the costs for the development of the 3-D Model and analysis of the interactions between the HLOW Shaft and Tunnel Y Transition Zone and is valued at \$101,101.00.

The approximate net value of the contract change orders presented (CCO #7 and CCO #9) is \$1,627,825.84.

ATTACHMENTS:

Attachment 1: Construction Contract Change Orders Status

UNCLASSIFIED MANAGER:

Christopher Hakes, 408-630-3796

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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
		04/27/21	Original Contract	\$161,140,321.00	\$40,000,000.00	Board	
1	01/18/22	12/16/21	Additional Tree Removal, Protection and Relocation	\$460,250.41	\$39,539,749.59	DOO	Approved
2	02/14/22	04/26/22	Outlet Works Vertical Shaft Re-sizing	\$3,783,119.15	\$35,756,630.44	CEO	Approved
3	05/16/22	05/17/22	Water Quality Monitoring Equipment, Miscellaneous demolition, TCEAP VHF/UHF Radios	\$131,603.28	\$35,625,027.16	AOO	Approved
4	06/13/22	06/30/22	Tunnel and Miscellaneous Items from CDC-001/001.1, Remove Taber Drilling from Scope	\$386,801.98	\$35,238,225.18	DOO	Approved
5	06/13/22	06/30/22	Upsizing Soil Nail Rows D&E from #18 to #20	\$228,562.00	\$35,009,663.18	DOO	Approved
6	07/18/22	08/06/22	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
8	10/17/22	10/25/2022	Disposal of Regulated and Organic Material	\$80,000.00	\$34,866,599.86	UM	Approved
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	\$34,866,599.86	UM	Approved

Total Approved	8	Total	\$5,133,400.14	\$34,866,599.86
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Pending CCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
7	09/26/22		Disposal Area Parking Lot Remediation, DOS Foundation Excavation - Revised Soil Nail Wall, and Additional Environmental Compliance for Water Quality Monitoring and Soil Testing	\$1,526,724.84	\$33,339,875.02	ACEO	Pending
9	11/14/2022		3-D Modeling of HLOW Shaft	\$101,101.00	\$33,238,774.02	AOO	Pending

Total Pending	2	Total	\$1,627,825.84	\$33,238,774.02
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Total Number of COs (Approved & Pending)	Total Amount of COs (Approved & Pending)
10	\$6,761,225.98

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Santa Clara Valley Water District

File No.: 22-1208

Agenda Date: 11/14/2022

Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Receive Information on Upcoming Consultant Agreement Amendments for Capital Projects.

RECOMMENDATION:

Receive information on upcoming consultant agreement amendments for capital projects.

SUMMARY:

At the March 28, 2017 meeting, the Board of Directors approved revising the Capital Improvement Program (CIP) Committee's purpose to include monitoring implementation progress of key projects in the CIP. At their June 29, 2020 meeting, the CIP Committee requested this topic be added as a standing item on all future CIP Committee meeting agendas, and that staff provide updates on consultant agreement amendments for capital projects which may include modifications to scope, schedule, and/or budget.

There are four consultant agreement amendments for capital projects presented here for the Committee's information:

1. **Amendment No. 4 to Agreement A4242G with Cordoba Corporation for Executive Project Management and Construction Management Services for the Rinconada Water Treatment Plant Reliability Improvement Project No. 93294057 (Time Extension, Scope Change, Cost Increase) (E. Aryee).**

Staff will recommend Board approval of Amendment No. 4 to Agreement A4242G with Cordoba Corporation (Consultant) for Executive Project Management and Construction Management Services for the Rinconada Water Treatment Plant (RWTP) Reliability Improvement Project No. 93294057 (Project) to extend the expiration date of the Agreement by two years from July 31, 2023 to July 31, 2025; increase the not-to exceed (NTE) amount by \$9,646,153 for a new NTE of \$24,409,273; and expand the scope of services to add work to be performed during construction of Phases 3 through 6 of the Project.

Construction of the Santa Clara Valley Water District's Rinconada Water Treatment Plant Reliability Improvement Project was initiated in May 2015 to increase plant reliability to meet peak summer demands, update technology, and implement process improvements. On May 26, 2015, the Board awarded Construction Contract C0601 (Contract) to Balfour Beatty

Infrastructure, Inc. (BBII) for the Project. The Project had been divided into six phases to allow RWTP to remain online throughout construction. Amendment One to the Contract was approved by the Board on March 10, 2020. It significantly reduced the scope of work to be completed by BBII, resulting in BBII completing Phases 1 and 2 of the Project, and eliminating most of Phases 3, 4, 5 and 6 from Construction Contract C0601.

The Board accepted completion of work on Phases 1 and 2 on January 12, 2021. The plans and specifications have been re-packaged for the remaining Phases 3 through 6 to reflect the current status of the work and the Project is scheduled for bid advertisement in early 2023.

Amendment No. 4 to Agreement A4242G with Cordoba Corporation will extend the term of the Agreement by two years; expand the scope of services; and add funding, for a new not-to-exceed fee of \$9,646,153, thereby allowing the Consultant to continue providing Executive Project Management and Construction Management Services during construction of the remaining Phases 3 through 6.

2. Amendment No. 1 to Agreement A4343A with CPM Associates, Inc. for On-Call Construction Scheduling and Claims Analysis Services (Consultant Name Change) (E. Aryee).

Staff will recommend Deputy Administrative Officer approval of Amendment No. 1 to Agreement A4343A with CPM Associates, Inc. for On-Call Construction Scheduling and Claims Analysis Services to document the Consultant's name change from CPM Associates, Inc., to Consor PMCM, Inc. and update the Agreement accordingly.

Pursuant to Agreement A4343A, Consultant performs independent review and assessment of project schedules such as baseline and progress schedules, recovery schedules, look-ahead schedules, and Contractor submittals; assists Valley Water in analyzing causation and responsibility for construction schedule and performance delays; and provides an independent review and assessment of claims and disputes regarding construction.

Agreement A4343A was enacted on April 29, 2020 with an expiration date of April 28, 2023, and a not-to-exceed fee of \$1,000,000. To date, a total of five task orders have been issued in the amount of \$107,024 for In-House Staff Training on Construction Scheduling and Claims Analysis, and for various Construction Scheduling Services for RWTP Residuals Remediation Project No. 93294058, and RWTP Reliability Improvement Project No. 93294057 Phases 3 through 6 Project.

Valley Water has been advised that as of October 3, 2022, Consultant has changed its firm name as a result of an acquisition. The purpose of amending Agreement A4343A is to document Consultant's name change; express Valley Water's consent to assignment of the Agreement from the original firm to the new firm; and confirm all required insurance coverages as stated in the Agreement have continued in full force and effect. Consultant, now known as Consor PMCM, Inc., will continue to provide Scheduling and Claims Analysis Services on an on-call, as-needed basis for Valley Water's capital construction projects.

3. Amendment No. 1 to Agreement A4613A with CPM Associates, Inc. for Construction Management Services for the Palo Alto Flood Basin Tide Gate Structure Replacement

Project No. 10394001 (Consultant Name Change) (B. Yerrapotu).

Staff will recommend Deputy Administrative Officer approval of Amendment No. 1 to Agreement A4613A with CPM Associates, Inc. for Construction Management Services for the Palo Alto Flood Basin Tide Gate Structure Replacement Project No. 10394001 (Project) to document the Consultant's name change from CPM Associates, Inc., to Consor PMCM, Inc. and update the Agreement accordingly.

The Project objective is to replace the existing Palo Alto Flood Basin Tide Gate Structure, built in 1957, to maintain the existing level of flood protection for Matadero, Adobe, and Barron Creeks. Replacing the existing structure will provide better protection to property and infrastructure from potential coastal flooding which could result if existing structure fails. The Project will maximize gravity drainage opportunities to practicably address impacts to flood protection facilities due to future Sea Level Rise (SLR) and the 100-year fluvial flood in cooperation with local planning efforts, and will limit impacts to existing habitat areas within the Palo Alto Flood Basin.

Agreement A4613A was enacted on March 22, 2022, has an expiration date of July 31, 2027, a not-to-exceed fee of \$4,184,857, and provides for Consultant to perform Construction Management Services on the Project.

Valley Water has been advised that as of October 3, 2022, Consultant has changed its firm name as a result of an acquisition. The purpose of amending Agreement A4613A is to document Consultant's name change; express Valley Water's consent to assignment of the Agreement from the original firm to the new firm; and confirm all required insurance coverages as stated in the Agreement have continued in full force and effect. Consultant, now known as Consor PMCM, Inc., will continue to provide Construction Management Services relating to the Project.

4. Amendment No. 2 to Agreement A4325G with Horizon Water and Environmental, LLC. for Environmental Planning and Permitting Services for Anderson Dam Seismic Retrofit Project No. 91864005 (Scope Change, Additional Funding) (C. Hakes).

Staff will recommend Board approval of Amendment No. 2 to Agreement A4325G with Horizon Water and Environmental, LLC. (Consultant) for Environmental Planning and Permitting Services for Anderson Dam Seismic Retrofit Project No. 91864005 (Project) to modify the scope of services and increase the not-to-exceed fee by \$2,730,094, resulting in a new total not-to-exceed fee of \$10,198,324.

The Santa Clara Valley Water District is undertaking the Project to address Anderson Dam's seismic stability deficiencies, rehabilitate its aging appurtenant facilities, and to comply with current dam safety standards. The reservoir capacity has been reduced per direction from the Federal Regulatory Energy Commission and will be restored upon completion of the Project.

Agreement A4325G was enacted on February 25, 2020, has an expiration date of February 4, 2026, and a not-to-exceed fee of \$4,494,225. Since execution of the Agreement, responding to Federal Energy Regulatory Commission (FERC) orders has required planning, design, and construction of additional major, interrelated elements, resulting in an expanded Project scope.

In April 2021, the Board approved Amendment No. 1 to Agreement A4325G to increase the not-to-exceed fee by \$2,974,005, resulting in a new total not-to-exceed fee of \$7,468,230, to allow the Consultant to perform additional Environmental Review and Permitting Services for the Project and all interrelated efforts.

Amendment No. 2 will amend the scope of services to include additional coordination and technical analysis in response to regulatory agency demands and feedback in ongoing consultations regarding the Project elements and conservation measures. Due to increased complexity of the Project elements, the scope will include additional environmental review support services to modify the Project description and supplement analysis for design and regulatory changes to the Project.

Project management staff also anticipates additional services will be necessary to support preparation of federal National Environment Policy Act compliance documents. Amendment No. 2 will also increase the not-to-exceed fee by \$2,730,094 for a revised not-to-exceed amount of \$10,198,324, providing the necessary funding for the additional services.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Emmanuel Aryee, 408-630-3074

Chris Hakes, 408-630-3796

Bhavani Yerrapotu, 408-630-2735



Santa Clara Valley Water District

File No.: 22-1205

Agenda Date: 11/14/2022

Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Review Significant Project Plan Updates Since Adoption of the Capital Improvement Program's Fiscal Year 2023-27 Five-Year Plan.

RECOMMENDATION:

Review Significant Project Plan Updates Since Adoption of the Capital Improvement Program's (CIP) Fiscal Year 2023-27 (FY 23-27) Five-Year Plan and provide feedback, as necessary.

SUMMARY:

Updates to capital project plans are considered to be significant if total project costs (TPC) increase or decrease by more than \$1 million, project completion is extended beyond one year, or if there are any changes to project scope. Summaries of the capital projects with the largest and most significant project plan updates are provided below, organized by type of improvement. A full list of all capital project changes is included as Attachment 1.

The scope, schedule, and cost increases summarized below and included in Attachment 1 will be reflected in the CIP's Preliminary FY 2024-28 Five-Year Plan, which is scheduled to be presented to the CIP Committee in December 2022 and to the Board in January 2023 with corresponding financial analysis of impact to each respective Fund.

As of November 7, 2022, the TPC increases or decreases (with inflation) detailed below and in Attachment 1 by fund are as follows: Water Utility Enterprise Fund (Fund 61) increased by \$1.146B; Watersheds Stream Stewardship Fund (Fund 12) decreased by \$20.825M; Safe, Clean Water and Natural Flood Protection Program Fund (Fund 26) increased by \$130.615M; Information Technology Fund (Fund 73) increased by \$432K; and the General Fund (Fund 11) decreased by \$2.084M.

WATER SUPPLY

Storage Facilities:

91954002 Pacheco Reservoir Expansion Project

SCOPE AND SCHEDULE (COMPLETION DATE) - TPC changes due to inflation: Scope change/Schedule - Completion date extended by 3 years/Inflated TPC increased by \$319.043M

The uninflated TPC remains the same; inflated TPC increased \$319.043M. The Project changes are

to the scope and schedule. The overall Project schedule completion date has been extended by three years in order to address: lack of property access to perform work for the environmental and design phases; time to prepare a combined Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) document; and time to complete revisions to the dam type, perform agency reviews, complete tribal consultation, and acquire permits. The Project's planned expenditures have been revised to reflect additional resource hours to complete the Planning, Environmental, Design, and Right-of-Way for Project support. Changes to the phased costs, as well as the need to re-evaluate the proposed fiscal year phased budgets based upon updated forecasts are the contributing factors affecting the change in project expenditures. The revised inflated TPC is \$2.781B.

91864005s Anderson Dam Seismic Retrofit (all projects combined)

SCHEDULE (COMPLETION DATE) AND COST - inflated TPC increased by \$159.856M

This includes the Anderson Dam Seismic Retrofit Project as well as the five capital projects comprising the Anderson Dam Federal Energy Regulatory Compliance Project (FOCP). The revised inflated TPC is \$1.396B.

91864005 Anderson Dam Seismic Retrofit Project (ADSRP)

SCOPE, SCHEDULE (PHASE ONLY), AND COST: Inflated TPC increased by \$52.216M

The uninflated costs decreased by approximately \$4.793M; the inflated costs increased by \$52.216M. The ADSRP project, previously included the five sub-projects (listed below) comprising the Anderson Dam Federal Energy Regulatory Compliance Project (FOCP). Subsequently, all the FOCP projects have been assigned an individual project number, however, the project plans for each did not previously factor past costs. As part of the project plan update process for the CIP's FY 2024-28 Five-Year Plan, the past costs for each sub-project were removed from ADSRP but were off-set by cost increases resulting from Division of Safety of Dams fees, right of ways costs, and design costs requested by FERC, DSOC, and the Board of Consultants. The revised inflated TPC is \$1.071B.

91864006 Anderson Dam Tunnel Project

SCHEDULE (COMPLETION DATE) AND COST: Project schedule added to project plan/Inflated TPC increased by \$34.824M

The uninflated TPC has increased by \$29.304M; the inflated TPC increased by \$34.824M. The project plan for the ADTP has been updated to include past costs previously embedded in ADSRP (a total of \$85.643M) and a project schedule with a completion date in FY 26. ADTP project costs increased due to the addition of right-of-way costs associated with Holiday Lake Estates, increase to construction costs, and the addition of costs for project close-out, along with additional funds for consultant agreements amendments, construction contract costs, and additional funds for Valley Water project labor and services & supplies. The revised inflated TPC is \$196.177M.

91864007 Coyote Creek Flood Management Measures Project (CCFMMP)

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by four years/

Inflated TPC increased by \$66.702M

The uninflated TPC has increased by \$59.847M; the inflated TPC increased by \$66.702M. The start of construction is being pushed out due to delays in design completion and securing the right-of-way necessary to construct the project and the completion date is being extended to include the three-year plant establishment period. The project cost increase is primarily in the construction phase, due to several factors, including inadequate planning cost estimates, inflation, supply chain issues, as well as a tight schedule and site access constraints. The project plan for the CCFMMP has been updated to include past costs previously embedded in ADSRP (a total of \$9.714M). The revised inflated TPC is \$94.860M.

91864008 Coyote Creek Stream Augmentation Fish Protection Measures Project (SAFPMP)

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 1 year and 4 months/ Inflated TPC increased by \$2.987M

The uninflated TPC has increased by \$2.196M; the inflated TPC increased by \$2.987M. Due to supply chain related delays with Valley Water furnished equipment, the design phase has been extended and the start of construction postponed to FY 2024. However, the design work is substantially complete and will only include bid support when the construction contract is re-advertised. The construction end date has been extended by approximately one year and five months and project close-out has been extended by one year and four months. The project costs increased due to design costs related to re-bid the project, delay of long lead items and construction contract costs based on bids received when the Chillers was initially advertised for construction. The revised inflated TPC is \$9.264M.

91864009 Coyote Percolation Dam Replacement Project (CPDRP)

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 6 months/ Inflated TPC increased by \$2.808M

The uninflated TPC increased \$2.159M; the inflated TPC increased by \$2.808M. The Project completion date has been extended six months. The planned expenditures for this project have been revised to reflect additional required funding due to higher than anticipated labor costs for in-house design and construction staff. The Construction Phase schedule has been revised to capture an additional six months required to complete the as-built documents. The revised inflated TPC is \$16.676M.

91864010 Cross Valley Pipeline Extension Project (CVPEP)

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 3 months/ Inflated TPC increased by \$318K

The uninflated TPC increased by \$318K; the inflated TPC increased by \$318K. The Project completion date has been extended three months due to several delays such as delivery of Valley Water Furnished Material as a result of the COVID-19 pandemic, receipt of the permit for the outfall work, as well as contractor delays in the pipeline installation. The Project cost increased due to additional right of way costs to extend lease agreement for construction staging

areas, design costs related to the delay of procurement of long-lead items, and costs for construction management services. The revised inflated TPC is \$7.723M.

Treatment Facilities:**93294057 RWTP Reliability Improvement Project****SCOPE, SCHEDULE (COMPLETION DATE) AND COST: Scope change/Schedule - Completion date extended by 3 years/Inflated TPC increased by \$192.881M**

The uninflated TPC has increased by \$176.619M; the inflated TPC increased by \$192.881M. The schedule completion date has been extended by three years. The project's cost increase and schedule extension are due to reassessment of construction costs for Phases 3-6 of the project, particularly with regard to current volatile market conditions and inflation escalation rates, which are projected at around 15 percent over the next few years. The revised inflated TPC is \$654.620M.

Recycled Water Facilities:**91304001 Purified Water Project (PWP)****SCOPE, SCHEDULE (PHASE ONLY), AND COST: Scope change/Planning and Design schedule extended/Inflated TPC increased by \$465.777M**

The uninflated TPC increased \$381.718M; the inflated TPC increased by \$465.777M. Since the Board of Directors directed staff in December 2021 to finalize agreements with the City of Palo Alto (CPA) for the Purified Water Project (PWP) and the last change management memo on February 28, 2022, staff has identified several changes to the scope of work. These changes are a result of additional project components required to complete the design and construction of the PWP, and regulatory feedback obtained from San Francisco Regional Water Quality Control Board and the Department of Drinking Water. Due to delays in obtaining the necessary agreements with the CPA, the schedule is now proposed to start with design services in 2024 for 18 months including a 6-month overlap with the construction phase lasting 3.5 years. Total project schedule is 5 years with water delivery in mid-2028. Planned project expenditures increased due to several factors, including updated contingency percentages due to current market, requirements for federal funding, increase in material costs, increase in design and engineering services and direct costs due to reduced schedule and increase in scope, construction management costs proportionate to construction, and the need for an independent engineer for the P3 entity. In addition, facility expenditures increased for the construction of the Advanced Water Purification Facility (AWPF) and the pipeline, in part due to increased size of the AWPF from 10-million gallons per day (MGD) to 12 MGD and storage tank construction material. Staff also met with the jurisdictions along the pipeline alignment and added other costs including paving requirements by each jurisdiction, trenchless crossings and additional monitoring wells as required by indirect potable reuse regulations and in consultation with the appropriate regulatory agencies. The revised inflated TPC is \$1.218B. *(Note: The Purified Water Project is planned to be delivered via a Public-Private Partnership or P3, and as such there is a potential impact to Fund 61 through an increased availability payment at the time the facilities become operational in the future. To offset this impact Valley Water is pursuing grants and loans.)*

FLOOD PROTECTION

Lower Peninsula Watershed:

10394001 Palo Alto Flood Basin Tide Gate Structure Replacement

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by ~6 years/Inflated TPC increased by \$43.957M

The uninflated TPC has increased by \$35.249M; the inflated TPC increased by \$43.957M. The schedule completion date has been extended by approximately 6 years, which includes a 5-year plant establishment maintenance period in compliance with project regulatory permits. The Project schedule has been revised to account for changes in the Environmental Phase, Design Phase, Construction Phase, and Close-Out Phase. Costs have increased due to a design change and a \$33M (uninflated) increase to construction due to testing of excavated soils that were found to exceed thresholds for soil reuse along with increases market conditions. Tribal monitoring and full-time biological monitoring are other reasons for cost increases which were previously not expected but are required per regulatory permit conditions. The revised inflated TPC is \$83.289M.

Coyote Watershed:

26174043 Coyote Creek, Montague Expressway to Tully Road (E1)

SCHEDULE (PHASE ONLY) AND COST: Inflated TPC increased by \$161.890M

The uninflated TPC increased by \$132.918M; the inflated TPC increased by \$161.890M. The Design Phase is being extended to account for the time required to complete CEQA & NEPA requirements needed for the project. The Right(s)-of-Way, Construction, and Close-Out Phase are being extended to align with the extension of the Design Phase. Construction (Civil) ends in FY27, but there is a plant establishment period which ends in FY31. The construction costs have increased as the result design refinement from the planning phase and increased material costs as well as increases in market conditions. The revised inflated TPC is \$224.719M.

Next Steps

The CIP team has processed the project plan updates and provided the Financial Planning and Revenue Unit (Unit 683) with detailed data. Based on the data provided, Unit 683 will perform financial analysis of the impacts these changes have on the respective funds. The financial analysis will be shared with the CIP Committee, along with the CIP's Draft-Preliminary Five-Year Plan for FY 2024-28 during the December 12 committee meeting and with the Board on January 10, 2023.

ATTACHMENTS:

Attachment 1: Capital Project Plan Updates

Attachment 2: PowerPoint

UNCLASSIFIED MANAGER:

Luz Penilla, 408-630-2228

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Summary of Capital Project Plan Updates from Board Adopted Fiscal Year 2024-28 CIP

Below is a detailed summary of all project plan updates from the Board adopted Fiscal Year (FY) 2023-27 by type of improvement. Updates to capital project plans are considered to be significant if total project costs (TPC) increase or decrease (inflated) more than \$1 million, project completion is extended beyond one year, or if there are any changes to project scope.

WATER SUPPLY

Storage Facility:

1. **91854001 Almaden Dam Improvements Project**

SCOPE AND SCHEDULE (PHASE ONLY) – TPC changes due to inflation: Scope/Phase schedule advanced and extended/Inflated TPC decreased by \$3.392M

The uninflated TPC remains the same; however, inflated TPC decreased by \$3.392M. The decrease in the inflated TPC is a result of the construction phase schedule for the dam improvements being advanced because there is a need to resume work on canal improvements ahead of the work on the dam improvements. Separate environmental and design documents will be prepared for canal improvements and for dam improvements. The Planning phase has therefore been extended by five years; however project completion schedule remains the same. The revised inflated TPC is \$61.3M.

2. **91864005 Anderson Dam Seismic Retrofit Project (ADSRP)**

SCOPE, SCHEDULE (PHASE ONLY), AND COST: Scope/Schedule – Phase Only/Inflated TPC increased by \$52.216M

The uninflated costs decreased by approximately \$4.793M; the inflated costs increased by \$52.216M. The ADSRP project, previously included the five sub-projects (listed below) comprising the Anderson Dam Federal Energy Regulatory Compliance Project (FOCP). Subsequently, all the FOCP projects have been assigned an individual project number, however, the project plans for each did not previously factor past costs. As part of the project plan update process for the CIP's FY 2024-28 Five-Year Plan, the past costs for each sub-project were removed from ADSRP but were off-set by cost increases resulting from Division of Safety of Dams fees, right of ways costs, and design costs requested by FERC, DSOC, and the Board of Consultants. The revised inflated TPC is \$1.071B.

The updates to the FOCF Sub-Projects are listed below:

- a. **91864006 Anderson Dam Tunnel Project (ADTP)**
SCHEDULE (COMPLETION DATE) AND COST: Project schedule added to project plan/Inflated TPC increased by \$34.824M
The uninflated TPC has increased by \$29.304M; the inflated TPC increased by \$34.824M. The project plan for the ADTP has been updated to include past costs previously embedded in ADSRP (a total of \$85.643M) and a project schedule with a completion date in FY 26. ADTP project costs increased due to the addition of right-of-way costs associated with Holiday Lake Estates, increase to construction costs, and the addition of costs for project close-out, along with additional funds for consultant agreements amendments, construction contract costs, and additional funds for Valley Water project labor and services & supplies. The revised inflated TPC is \$196.177M.
- b. **91864007 Coyote Creek Flood Management Measures Project (CCFMMP)**
SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by four years/ Inflated TPC increased by \$66.702M
The uninflated TPC has increased by \$59.847M; the inflated TPC increased by \$66.702M. The start of construction is being pushed out due to delays in design completion and securing the right-of-way necessary to construct the project and the completion date is being extended to include the three-year plant establishment period. The project cost increase is primarily in the construction phase, due to several factors, including inadequate planning cost estimates, inflation, supply chain issues, as well as a tight schedule and site access constraints. The project plan for the CCFMMP has been updated to include past costs previously embedded in ADSRP (a total of \$9.714M). The revised inflated TPC is \$94.860M.
- c. **91864008 Coyote Creek Stream Augmentation Fish Protection Measures Project (SAFPMP)**
SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 1 year and 4 months/ Inflated TPC increased by \$2.987M
The uninflated TPC has increased by \$2.196M; the inflated TPC increased by \$2.987M. Due to supply chain related delays with Valley Water furnished equipment, the design phase has been extended and the start of construction postponed to FY 2024. However, the design work is substantially complete and will only include bid support when the construction contract is re-advertised. The construction end date has been extended by approximately one year and five months and project close-out has been extended by one year and four months. The project costs increased due to design costs related to re-bid the project, delay of long lead items and construction contract costs based on bids received when

the Chillers was initially advertised for construction. The revised inflated TPC is \$9.264M.

**d. 91864009 Coyote Percolation Dam Replacement Project (CPDRP)
SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 6 months/ Inflated TPC increased by \$2.808M**

The uninflated TPC increased \$2.159M; the inflated TPC increased by \$2.808M. The Project completion date has been extended six months. The planned expenditures for this project have been revised to reflect additional required funding due to higher than anticipated labor costs for in-house design and construction staff. The Construction Phase schedule has been revised to capture an additional six months required to complete the as-built documents. The revised inflated TPC is \$16.676M.

**e. 91864010 Cross Valley Pipeline Extension Project (CVPEP)
SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 3 months/ Inflated TPC increased by \$318K**

The uninflated TPC increased by \$318K; the inflated TPC increased by \$318K. The Project completion date has been extended three months due to several delays such as delivery of Valley Water Furnished Material as a result of the COVID-19 pandemic, receipt of the permit for the outfall work, as well as contractor delays in the pipeline installation. The Project cost increased due to additional right of way costs to extend lease agreement for construction staging areas, design costs related to the delay of procurement of long-lead items, and costs for construction management services. The revised inflated TPC is \$7.723M.

**3. 91084020s Calero and Guadalupe Dams Seismic Retrofits (Planning Only and Design/Construction Placeholders)
SCHEDULE (COMPLETION DATE) – TPC Changes due to inflation: Schedule extended by four years/Inflated TPC increased by \$8.391M**

For the Calero and Guadalupe Planning Only Project (91084020), the uninflated TPC remains the same; however, inflated TPC increased by \$468.3K. Valley Water operational requirements will not allow Calero Dam and Anderson Dam to be out of service at the same time. To accommodate this requirement, the schedule for Calero and Guadalupe Dams Seismic Retrofit Project (Planning only) is being extended by four years to align with the the Anderson Dam Seismic Retrofit Project schedule. As a result the Guadalupe Dam Design/Construction Placeholder Project (91894002) dollars were also moved out to align with this schedule update. The revised inflated TPC for both projects combined is projects is \$262.483M.

4. **91084019 Dam Seismic Safety Evaluation**

SCHEDULE (COMPLETION DATE) – TPC Changes due to inflation :

Schedule extended by 4 years/ TPC increased by \$919K

The uninflated TPC remains the same; the inflated TPC increased by \$919K. The overall Project schedule completion date has been extended four years. A consultant contract for the comprehensive Dam Safety Evaluations for Vasona, Rinconada, and Coyote Percolation dams (DSE2) was previously slated to commence in FY25, upon the completion of DSE1 (for Coyote, Chesbro, and Uvas dams). Based on the anticipated findings for DSE1 and required additional remediation work at Coyote Dam, Valley Water will be deferring the start of the consultant agreement for DSE2 to FY29. The revised inflated TPC is \$31.862M.

5. **91954002 Pacheco Reservoir Expansion Project:**

SCOPE AND SCHEDULE (COMPLETION DATE) – TPC changes due to inflation: Scope change/ Schedule extended by 3 years/Inflated TPC increased by \$319.043M

The uninflated TPC remains the same; inflated TPC increased \$319.043M. The Project changes are to the scope and schedule. The overall Project schedule completion date has been extended by three years in order to address: lack of property access to perform work for the environmental and design phases; time to prepare a combined Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) document; and time to complete revisions to the dam type, perform agency reviews, complete tribal consultation, and acquire permits. The Project's planned expenditures have been revised to reflect additional resource hours to complete the Planning, Environmental, Design, and Right-of-Way for Project support. Changes to the phased costs, as well as the need to re-evaluate the proposed fiscal year phased budgets based upon updated forecasts are the contributing factors affecting the change in project expenditures. The revised inflated TPC is \$2.781B.

6. **91214010s Small Capital Improvements, San Felipe Reach 1-3**

SMALL CAPITAL FORECAST REVISIONS: TPC decreased by \$7.556M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period.

Transmission Facilities:

7. **95084002 10-Year Pipeline Rehabilitation Project**

SCOPE AND COST: Scope change/Inflated TPC increased by \$14.887M

The uninflated TPC increased \$12.836M; the inflated TPC increased \$14.887M. There were changes to project scope in Central and Parallel East Pipelines, Almaden Valley Pipeline, and Snell Pipeline. There were changes to Project cost

in the Central and Parallel East Pipelines, Santa Clara Conduit Rehabilitation, Almaden Valley Pipeline, Snell Pipeline, West Pipeline, Electromagnetic Inspection and Acoustic Fiber Optic Monitoring System, and Pipeline Maintenance Program and Program Environmental Impact Report. The revised inflated TPC is \$154.939M.

8. **92304001 Almaden Valley Pipeline Replacement**

SCOPE, SCHEDULE (PHASE ONLY) AND COST: Scope change/Construction phase extended 1 year/Inflated TPC increased by \$2.731M

The uninflated TPC increased by \$674K; the inflated TPC has increased by \$2.731M. The Planning Phase has been waived. The overall Project schedule remains the same, however, the Construction Phase was extended by 1 year to accommodate new information provided by the Programmatic Environmental Impact Report (EIR). Each new fiscal year, the CIP adds the upcoming FY planned expenditures from the original Project Plan. The 21-year total Project Plan was initiated in FY 21, and the CIP only provides for a 15-year projection. This CMM update adds FY 37 into the 15-year projection. There were also cost increases to planning and environmental phases due to new data that was provided during the Programmatic EIR. The revised inflated TPC is \$113.328M. *(Note: The planned expenditures for years FY 2038-FY41 are not included in the TPC but are included in the funding models as a placeholder.)*

9. **92144001 Pacheco/Santa Clara Conduit ROW Acquisition**

SCHEDULE (COMPLETION DATE) – TPC changes due to inflation: Schedule extended by 1 year/ Inflated TPC increased by \$78K

There was no change to the uninflated TPC; the inflated TPC increased by \$78K. The Project schedule has been extended by one year due to delays in acquiring National Environmental Policy Act (NEPA) clearance and finalizing subsequent permitting required for construction, as the site is located on United States Bureau of Reclamation property. While the planned expenditures for the Environmental Phase and Construction Phase have increased slightly, because easements are not required for access on this project, the planned expenditures for Right-of-Way Acquisition have decreased, therefore resulting in no change to the overall TPC. The revised inflated TPC is \$6.129M.

10. **95044002 SCADA Implementation Project**

SCHEDULE (PHASE ONLY) – TPC changes due to inflation: Planning Phase Schedule extended by 1 year/Inflated TPC decreased by \$2K

There was no change to the uninflated TPC; the inflated TPC decreased by \$2K. The overall project schedule has been extended by one year due to the actual timeline for project consultant negotiations and board adoption of the agreements. Overall project cost remains the same, but year-to-year planned expenditures have been re-balanced to accommodate this schedule change. Additionally, project scope remains the same but since this project will only develop a program

of SCADA projects up to 10% design, design phase and construction phase have been revised. The revised inflated TPC is \$6.468M.

11. **92264001 Vasona Pump Station Upgrade**

COST ONLY: Inflated TPC increased by \$7.190M

The uninflated TPC increased by \$6.404M; the inflated TPC increased \$7.190M. The proposed changes are primarily due to progression of the Project and clarification of the scope. As the Project transitioned from planning to design, the alternatives, scope, and equipment selection became more clearly defined. With this, construction costs were adjusted to reflect equipment and labor prices received from vendors and current market prices. Project Scope includes increasing pumping capacity such that the Project team needs to submit an Initial Study/ Mitigated Negative Declaration as part of Design Phase for environmental compliance. The revised inflated TPC is \$29.457M.

12. **92764009 Small Capital Improvements, Raw Water**

SMALL CAPITAL FORECAST REVISIONS: TPC decreased by \$2.976M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period.

13. **94764006 Small Capital Improvements, Treated Water**

SMALL CAPITAL FORECAST REVISIONS: TPC decreased by \$164K

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period.

14. **92C40357 FAHCE Implementation**

PLACEHOLDER PROJECT ADMINISTRATIVE UPDATES: Schedule Only

Since the two creeks FAHCE EIR is still being finalized and agency permitting will also be required, the FAHCE implementation project planned expenditures were moved to begin in FY27. The overall TPC remain unchanged.

Treatment Facility:

15. **93294051 RWTP FRP Residuals Management Project**

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 1 year/TPC decreased by \$924K

The uninflated TPC has decreased by \$924K. The Project schedule has been extended by one year for close-out activities. The remaining balance in Project

reserves will be returned to fund reserves at closeout. The revised inflated TPC is \$32.917M.

16. **93294057 RWTP Reliability Improvement Project**

SCOPE, SCHEDULE (COMPLETION DATE) AND COST: Scope change/Construction and Closeout Schedules extended by 3 years/Inflated TPC increased by \$192.881M

The uninflated TPC has increased by \$176.619M; the inflated TPC increased by \$192.881M. The schedule completion date has been extended by three years. The project's cost increase and schedule extension are due to reassessment of construction costs for Phases 3-6 of the project, particularly with regard to current volatile market conditions and inflation escalation rates, which are projected to fall at around 15 percent over the next few years. The revised inflated TPC is \$654.620M.

17. **93284013 STWTP Filter Media Replacement Project**

COST ONLY: Inflated TPC increased by \$5.692M

The uninflated TPC increased by \$5.671M; the inflated TPC increased \$5.692M. The Design Phase cost increased due to the additional scope included at the request of the Plant's Operation and Maintenance Division in order to improve the efficiency and performance of operations in the filters. These improvements included the addition of filter surface cleaning, coating of the existing steel flanges, replacement of steel deflectors, concrete crack repair, valve pedestals and design of siphons. The increase in the overall Project expenditures reflects the increased costs of project-specific equipment and material because of the impact of global supply chain issues and extended lead times, and the inclusion of construction contingency. The revised inflated TPC is \$20.025M.

18. **93084004 Water Treatment Plant Electrical Improvement Project**

SCOPE, SCHEDULE (COMPLETION DATE) AND COST: Scope change/Schedule extended by 2 years/Inflated TPC increased by \$6.886M

The uninflated TPC increased by \$5.199M; the inflated TPC increased by \$6.886. Scope was changed to include the Santa Teresa Water Treatment Plant's motor control centers (MCC) MCC-DP1 and MCC-DP2, that serve the west filter gallery and east filter gallery, respectively, in the Project's Scope of Work. The Project schedule was extended two years to align construction with the sequencing and shutdown of other concurrent Valley Water projects to minimize impact to water retailers that receive water from the Penitencia and Santa Teresa Water Treatment Plants. Cost increases are due to pump capacity changes as well as increased labor and equipment costs. The revised inflated TPC is \$18.512M.

19. **93764004 Small Capital Improvements, Water Treatment**

SMALL CAPITAL FORECAST REVISIONS: TPC decreased by \$12.604M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need.

In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period.

Recycled Water Facilities:

20. 91304001 Purified Water Project (PWP)

SCOPE, SCHEDULE (PHASE ONLY), AND COST: Scope change/Planning and Design schedule extended/Inflated TPC increased by \$465.777M

The uninflated TPC increased \$381.718M; the inflated TPC increased by \$465.777M. Since the Board of Directors directed staff in December 2021 to finalize agreements with the City of Palo Alto (CPA) for the Purified Water Project (PWP) and the last change management memo on February 28, 2022, staff has identified several changes to the scope of work. These changes are a result of additional project components required to complete the design and construction of the PWP, and regulatory feedback obtained from San Francisco Regional Water Quality Control Board and the Department of Drinking Water. Due to delays in obtaining the necessary agreements with the CPA, the schedule is now proposed to start with design services in 2024 for 18 months including a 6-month overlap with the construction phase lasting 3.5 years. Total project schedule is 5 years with water delivery in mid-2028.

Planned project expenditures increased due to several factors, including updated contingency percentages due to current market, requirements for federal funding, increase in material costs, increase in design and engineering services and direct costs due to reduced schedule and increase in scope, construction management costs proportionate to construction, and the need for an independent engineer for the P3 entity. In addition, facility expenditures increased for the construction of the Advanced Water Purification Facility (AWPF) and the pipeline, in part due to increased size of the AWPF from 10-million gallons per day (MGD) to 12 MGD and storage tank construction material. Staff also met with the jurisdictions along the pipeline alignment and added other costs including paving requirements by each jurisdiction, trenchless crossings and additional monitoring wells as required by indirect potable reuse regulations and in consultation with the appropriate regulatory agencies. The revised inflated TPC is \$1.218B. *(Note: The Purified Water Project is planned to be delivered via a Public-Private Partnership or P3, and as such there is a potential impact to Fund 61 through an increased availability payment at the time the facilities become operational in the future. To offset this impact Valley Water is pursuing grants and loans.)*

21. **91094010 South County Recycled Water Pipeline (Short Term 2)**

SCHEDULE (COMPLETION DATE) – TPC Changes due to inflation: Schedule extended by 1 year/ Inflated TPC increased by \$24K

The uninflated TPC did not change; the inflated TPC increased \$24K. The schedule completion date has been extended by one year. The Project schedule is extending to account for delayed construction of residential developments in the City of Gilroy, which consequently affects opportunities to upsize recycled water conveyance routes with our development partners. The revised inflated TPC is \$8.643M.

FLOOD PROTECTION

Lower Peninsula Watershed:

22. **10394001 Palo Alto Flood Basin Tide Gate Structure Replacement**

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by ~6 years/Inflated TPC increased by \$43.957M

The uninflated TPC has increased by \$35.249M; the inflated TPC increased by \$43.957M. The schedule completion date has been extended by approximately 6 years, which includes a 5-year plant establishment maintenance period in compliance with project regulatory permits. The Project schedule has been revised to account for changes in the Environmental Phase, Design Phase, Construction Phase, and Close-Out Phase. Costs have increased due to a design change and a \$33M (uninflated) increase to construction due to testing of excavated soils that were found to exceed thresholds for soil reuse along with increases market conditions. Tribal monitoring and full-time biological monitoring are other reasons for cost increases which were previously not expected but are required per regulatory permit conditions. The revised inflated TPC is \$83.289M.

23. **10244001 Permanente Creek, SF Bay to Foothill Expwy.**

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 2 years/Inflated TPC increased by \$2.198M

The uninflated TPC increased by \$2.197M; the inflated TPC increased by \$2.198M. The schedule completion date has been extended by two years. The Design, Construction and Close-Out phases were extended due to negotiations with Google. The cost increases were due to delays, design changes, market conditions, and real estate costs. The revised inflated TPC is \$20.348M.

24. **26284002 San Francisquito Creek (Construction SF Bay to Middlefield Rd.)**

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 1 year/Inflated TPC decreased by \$2.153M

The uninflated TPC decreased by \$5.550M; the inflated TPC decreased by \$2.153M. The schedule completion date has been extended by one year. The schedule has been extended by one year to accommodate the U.S. Army Corps of Engineers Continuing Authorities Program Section 205 (CAP 205) process, as well as the updated duration needed for the San Francisquito Creek Joint Powers

Authority to apply for and receive state and federal regulatory permits. The change in the Project's planned expenditures resulted from cost increases associated with the design, right-of-way and construction for the channel widening and of top-of-bank improvements. These cost increases were offset by the cost decrease resulting from the removal of the construction cost for the Newell Road Bridge Replacement Project. Valley Water received confirmation from the City of Palo Alto that the construction costs for the Newell Road Bridge Replacement Project will be included in the City's budget. Therefore, Valley Water removed the cost of construction and the associated unsecured funding source (\$8.941M) reflected in the Project plan. The Project's planned expenditures does include the local-share match for the Newell project planned expenditures as that is our commitment under the Safe, Clean Water and Natural Flood Protection Program. The revised inflated TPC is \$105.018M.

West Valley Watershed:

25. **26074002 Sunnyvale East and West Channels (E2)**

SCHEDULE (PHASE ONLY) – TPC Changes due to inflation: Environmental and Design phases extended by 1 year/Inflated TPC decreased by \$51K

The uninflated TPC has remained the same; the inflated TPC has decreased by \$51K. The Project schedule for the Environmental and Design Phases has been extended by 1 year to account for the proposed Google Caribbean Campus Project where Google and Valley Water are to cost share on an enhancement constructed by Google of approximately 1,100 linear feet of the Sunnyvale West Channel. The revised inflated TPC is \$70.332M.

Coyote Watershed:

26. **26174043 Coyote Creek, Montague Expressway to Tully Road (E1)**

SCHEDULE (COMPLETION DATE) AND COST: Schedule – Completion date extended by 5 years/Inflated TPC increased by \$161.890M

The uninflated TPC increased by \$132.921M; the inflated TPC increased by \$161.888M. The Design Phase is being extended to account for the time required to complete CEQA & NEPA requirements needed for the project. The Right(s)-of-Way, Construction, and Close-Out Phase are being extended to align with the extension of the Design Phase. Construction (Civil) ends in FY27, but there is a plant establishment period which ends in FY31. The construction costs have increased as the result design refinement from the planning phase and increased material costs as well as increases in market conditions. The revised inflated TPC is \$224.718M.

27. **40C40397 Berryessa Creek Flood Protection Project – Lower Penitencia Creek to Calaveras Blvd. (Phase 3 – Construction)**

PLACEHOLDER PROJECT ADMINISTRATIVE UPDATES: Schedule Only

To align with the Safe, Clean Water and Natural Flood Protection Program's Planning and Design Project Schedule for the Phase 3 Project (E3), the Project's planned expenditures were moved to begin in FY36. As a result of the 15-year forecast period for the CIP's Five-Year Plan, the Project Plan only captures the planned expenditures for FY 36-38 and therefore the project appears to have decreased. However, the planned expenditures for FYs 39-41 will be brought into the forecast on an annual basis. The overall TPC will remain unchanged.

Uvas Llagas Watershed:

28. 26174052 Llagas Creek–Upper, Corps Coordination (E6a)

SCOPE AND COST: TPC decreased by \$80M

The uninflated TPC decreased \$80M. The original Project scope included the construction of the Project, Phase 1, Phase 2A, and Phase 2B. Phase 2B is anticipated to receive grant funding from the Natural Resources Conservation Service (NRCS) for an estimated \$80M, so Phase 2B scope will be removed from 26174052 Llagas Creek–Upper, Corps Coordination (E6a) and a new Project number will be assigned. The new Phase 2B project number (26174055) will help facilitate tracking and accounting of eligible NRCS grant funding costs. The removal of the Phase 2B scope will reduce the planned expenditures by an estimated \$80M from the total project cost reflected in project number 26174052. The revised inflated TPC is \$173.072M.

Multiple Watersheds:

29. 62084001 Watersheds Asset Rehabilitation Project (WARP)

SMALL CAPITAL FORECAST REVISIONS: TPC increased by \$2.902M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period.

WATER RESOURCES STEWARDSHIP

Lower Peninsula Watershed:

30. 26164001 Hale Creek Enhancement Pilot Study

COST ONLY: TPC increased by \$3.425 (TPC Changes due to inflation)

Both the uninflated and inflated TPC increased by \$3.425. The total project cost (TPC) increased as a result of the contract award amount being higher than the Engineer's Estimate. The contract was awarded on May 10, 2022 after the adoption of the FY23 Budget and CIP FY 2023-27 Five-Year Plan. The Project's initial construction cost had been planned for \$4.5M; however, the awarded contract amount is \$7,337,784. The Board's approval of the award of the contract

necessitated a budget adjustment in FY 23, which is reflected in the TPC increase. Further, during right-of-way acquisition of the Project, Valley Water and the property owners went through extensive negotiations, resulting in a construction delay by a year, additional Valley Water labor and 3rd party appraiser fees, and increased easement acquisition costs. The increased costs in the Environmental and Design Phases have been re-appropriated from the construction phase. The revised inflated TPC is \$12.389M.

Coyote Watershed:

31. 00C40400s Watershed Habitat Enhancement Design & Construction

PLACEHOLDER PROJECT ADMINISTRATIVE UPDATES: Schedule Only

To align with the feasibility study currently underway in project 62044001, the Project's planned expenditures were moved to begin in FY27 (this Project includes two sub-placeholder projects for Metcalf Ponds and Ogier Ponds). The overall TPC remain unchanged.

Guadalupe Watershed:

32. 26044001 Almaden Lake Improvements

SCHEDULE (PHASE ONLY) – TPC Changes due to inflation: Schedule extended 1 year/Inflated TPC increased by \$5.419M

The uninflated TPC has not changed; inflated TPC increased by \$5.419M. The Project's start of construction has been extended by one year to re-evaluate the scope. It is anticipated that there will be no change to the Total Project Cost. The Project team estimates that the duration of onsite construction will be 30 months starting in FY24 and ending in FY27, followed by a three-year plant establishment period ending in FY30. The revised inflated TPC is \$63.150M.

Multiple Watersheds:

33. 26044003 Ogier Ponds Separation from Coyote Creek Planning & Design Project

SCOPE, SCHEDULE (COMPLETION DATE), AND COST: Scope change/ Schedule extended 7 months/Inflated TPC increased by \$17K

The uninflated TPC increased by \$99K; the inflated TPC increased by \$17K. The Ogier Ponds project was recently included in the Anderson Dam Seismic Retrofit Project (ADSRP) as a conservation measure. As a result, the project's scope has been extended to include gravel augmentation in Coyote Creek between the model airplane facility at Ogier Ponds and the Anderson Dam. The overall project schedule is being extended by 7 months due to geomorphic investigations and sediment transport modeling. The revised inflated TPC is \$6.262M.

34. 26044004 Bolsa Road Fish Passage Improvements

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 1 year/Inflated TPC increased by \$2.806M

The uninflated TPC increased by \$2.092M; the inflated TPC increased \$2.806M. The Project schedule has been extended by one year. The revised schedule now accounts for two construction seasons, extending into FY24 and its anticipated be complete by FY27 due to delays in bidding and advertisement. The TPC increased as a result of the contract award amount being 26% higher than the Engineer's Estimate. Additional factors contributing to a cost increase include rapidly escalating costs due to supply chain disruptions, raw material cost inflation, and labor shortages. The Project will span two construction seasons and the in-channel work is scheduled for completion in December 2023. The revised inflated TPC is \$9.326M.

35. **20444001 Calabazas/San Tomas Aquino Creek Marsh Connection**

SCOPE, SCHEDULE (COMPLETION DATE), AND COST: Scope change/Schedule extended by 1 year and 5 months/Inflated TPC increased by \$3.317M

The uninflated TPC increased by \$3.132M; the inflated TPC increased by \$3.317M. The scope of project area is being enlarged to include Pond A4, which will be evaluated during Project Planning, Design, and Environmental phases. Adding Pond A4 to the Project scope would allow staff to explore potential future uses of Pond A4, including but not limited to tidal marsh restoration, placement of Stream Maintenance Program dredge material, and/or nature-based treatment of reverse osmosis concentrate generated from water recycling. The schedule extension of one year and five months it to accommodate Planning, Environmental and Design phase schedule changes due to the enlargement of the project area to include Pond A4; Project cost increase is due to the inclusion of Pond A4. The revised inflated TPC is \$15.737M.

36. **26044002 SCW Fish Passage Improvements (D4.3; Evelyn, Singleton)**

SCOPE, SCHEDULE (COMPLETION DATE), AND COST: Scope change/Schedule extended 3 years/Inflated TPC decreased by \$953K

The uninflated TPC decreased by \$955K; the inflated TPC decreased by \$953K. This Project currently accounts for three sub projects, which include Bolsa Road, Evelyn Road, and Singleton Road. The Project scope will remove the Bolsa Road project and add three years of monitoring. Construction was completed in FY22, but three additional years of post-construction monitoring is required before the Project can close-out, which extends the schedule out to FY25. The construction cost has been reduced due to the removal of Bolsa Road project, which has its own project number (26044004 Bolsa Road Fish Passage Project). The revised inflated TPC is \$5.371M.

37. **26C40370 SCW Implementation - Fish Passage Improvements (D4.3)**

PLACEHOLDER PROJECT ADMINISTRATIVE UPDATES: Schedule Only

To align with staff availability, the Project's planned expenditures were moved to FY28. The overall TPC remain unchanged.

38. 26C40419 SCW Implementation – Restoration of Natural Creek Functions (D6.3)

PLACEHOLDER PROJECT ADMINISTRATIVE UPDATES: Schedule Only

To align with staff availability, the Project's planned expenditures were moved to FY28. The overall TPC remain unchanged.

INFORMATION TECHNOLOGY

39. 95274003 WTP-WQL Network Equipment

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended 9 years/Inflated TPC increased by \$1.768M

The uninflated TPC increased by \$1.355M; the inflated TPC increased \$1.768M. The overall Project schedule has been extended by nine years. Due to Covid-19 and global supply chain issues, the cost to maintain recurring hardware refreshes to Valley Water's Information Technologies technical infrastructure has increased. The timelines of critical upgrades to support remote work during the early stages of Covid-19 were moved forward which caused other projects to be delayed. Furthermore, due to Valley Water pivoting to a hybrid teleworking workforce, the scope of some networking technologies significantly increased, causing future year hardware refreshes to increase. The revised inflated TPC is \$13.023M.

BUILDINGS AND GROUNDS

40. 60204032 Headquarters Operations Building

**SCHEDULE (COMPLETION DATE) – TPC Changes due to inflation:
Schedule extended 3 years/Inflated TPC increased by \$1.282M**

The uninflated TPC did not change; the inflated TPC increased by \$1.282M due to the Project schedule change. The Project schedule has been extended three years to align with Valley Water's long-range overall planning. While the overall total Project cost remained unchanged, planned expenditures within specific Phases have been updated. The revised inflated TPC is \$16.410M.



Significant Project Plan Updates from Capital Improvement Program's (CIP) Board Adopted FY 2023-27 Five-Year Plan

Presented to the CIP Committee by: Jessica Collins, Business Planning and Analysis UM
November 14, 2022

Agenda

1. Overview
2. Fund Impacts
3. Overview of Largest/Most Impactful Project Plan Updates
 - Pacheco Reservoir Expansion Project
 - Anderson Dam Seismic Retrofit and FOCPP Projects
 - RWTP Reliability Improvement Project
 - Purified Water Project
 - Palo Alto Flood Basin Tide Gate Structure Replacement
 - Coyote Creek Flood Protection Project – Montague to Tully
4. Next Steps

Project Plan Updates from Board Adopted FY 22-26 CIP

3

Overview

- **12 Projects** had changes to **Schedule and Cost**
- **8 Projects** had changes to **Scope, Schedule and Cost**
- **8 Projects** had changes to **Schedule – TPC changes due to inflation**
- **3 Projects** had changes to **Cost Only**
- **2 Projects** had changes to **Scope and Cost**
- **2 Projects** had changes to **Scope and Schedule– TPC changes due to inflation**
- **5 Projects** had changes due to **Small Capital Forecast Revisions**
- **5 Placeholder Projects** had changes due to **Administrative Updates**

Fund Impacts

The TPC increases or decreases (**with inflation**) detailed below and in Attachment 1 by fund are as follows:

- Water Utility Enterprise Fund (**Fund 61**) **increased** by **\$1.146B**;
- Watersheds Stream Stewardship Fund (**Fund 12**) **decreased** by **\$20.825M**;
- Safe, Clean Water and Natural Flood Protection Program Fund (**Fund 26**) **increased** by **\$130.615M**;
- Information Technology Fund (**Fund 73**) **increased** by **\$432K**; and
- General Fund (**Fund 11**) **decreased** by **\$2.084M**.

Water Supply

Storage Facilities:

91954002 Pacheco Reservoir Expansion Project

SCOPE AND SCHEDULE (COMPLETION DATE) – TPC changes due to inflation: Scope change/ Schedule extended by 3 years/Inflated TPC increased by \$319.043M (TPC changes due to inflation)

The uninflated TPC remains the same; inflated TPC increased \$319.043M. The Project changes are to the scope and schedule. The overall Project schedule completion date has been extended by three years in order to address: lack of property access to perform work for the environmental and design phases; time to prepare a combined Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) document; and time to complete revisions to the dam type, perform agency reviews, complete tribal consultation, and acquire permits.

The Project Expenditure Plan has been revised to reflect additional resource hours to complete the Planning, Environmental, Design, and ROW for project support. Changes to the phased costs, as well as the need to re-evaluate the proposed fiscal year phased budgets based upon updated forecasts are the contributing factors affecting the change in project expenditures. The revised inflated TPC is \$2.781B.

Water Supply

Storage Facilities:

91864005s Anderson Dam Seismic Retrofit (all projects combined)

SCHEDULE (COMPLETION DATE) AND COST – inflated TPC increased by \$159.856M

This includes the Anderson Dam Seismic Retrofit Project as well as the five capital projects comprising the Anderson Dam Federal Energy Regulatory Compliance Project (FOCP). The revised inflated TPC is \$1.396B.

➤ 91864005 Anderson Dam Seismic Retrofit Project (ADSRP)

SCOPE, SCHEDULE (PHASE ONLY), AND COST: Inflated TPC increased by \$52.216M

The uninflated costs decreased by approximately \$4.793M; the inflated costs increased by \$52.216M. The ADSRP project, previously included the five sub-projects (listed below) comprising the Anderson Dam FOCP. Subsequently, all the FOCP projects have been assigned an individual project number, however, the project plans for each did not previously factor past costs. As part of the project plan update process for the CIP's FY 2024-28 Five-Year Plan, the past costs for each sub-project were removed from ADSRP but were off-set by cost increases resulting from Division of Safety of Dams fees, right of ways costs, and design costs requested by FERC, DSOC, and the Board of Consultants. The revised inflated TPC is \$1.071B.

Water Supply

Storage Facilities:

Anderson Dam FOCF Sub-Projects

➤ **91864006 Anderson Dam Tunnel Project**

SCHEDULE (COMPLETION DATE) AND COST: Project schedule added to project plan/Inflated TPC increased by \$34.824M

The uninflated TPC has increased by \$29.304M; the inflated TPC increased by \$34.824M. The project plan for the ADTP has been updated to include past costs previously embedded in ADSRP (a total of \$85.643M) and a project schedule with a completion date in FY 26. ADTP project costs increased due to the addition of right-of-way costs associated with Holiday Lake Estates, increase to construction costs, and the addition of costs for project close-out, along with additional funds for consultant agreements amendments, construction contract costs, and additional funds for Valley Water project labor and services & supplies. The revised inflated TPC is \$196.177M.

➤ **91864007 Coyote Creek Flood Management Measures Project (CCFMMP)**

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by four years/ Inflated TPC increased by \$66.702M

The uninflated TPC has increased by \$59.847M; the inflated TPC increased by \$66.702M. The start of construction is being pushed out due to delays in design completion and securing the right-of-way necessary to construct the project and the completion date is being extended to include the three-year plant establishment period. The project cost increase is primarily in the construction phase, due to several factors, including inadequate planning cost estimates, inflation, supply chain issues, as well as a tight schedule and site access constraints. The project plan for the CCFMMP has been updated to include past costs previously embedded in ADSRP (a total of \$9.714M). The revised inflated TPC is \$94.860M.

Water Supply

Storage Facilities:

Anderson Dam FOCF Sub-Projects cont...

➤ **91864008 Coyote Creek Stream Augmentation Fish Protection Measures Project (SAFPMP)**

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 1 year and 4 months/ Inflated TPC increased by \$2.987M

The uninflated TPC has increased by \$2.196M; the inflated TPC increased by \$2.987M. Due to supply chain related delays with Valley Water furnished equipment, the design phase has been extended and the start of construction postponed to FY 2024. However, the design work is substantially complete and will only include bid support when the construction contract is re-advertised. The construction end date has been extended by approximately one year and five months and project close-out has been extended by one year and four months. The project costs increased due to design costs related to re-bid the project, delay of long lead items and construction contract costs based on bids received when the Chillers was initially advertised for construction. The revised inflated TPC is \$9.264M.

➤ **91864009 Coyote Percolation Dam Replacement Project (CPDRP)**

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 6 months/ Inflated TPC increased by \$2.808M

The uninflated TPC increased \$2.159M; the inflated TPC increased by \$2.808M. The Project completion date has been extended six months. The planned expenditures for this project have been revised to reflect additional required funding due to higher than anticipated labor costs for in-house design and construction staff. The Construction Phase schedule has been revised to capture an additional six months required to complete the as-built documents. The revised inflated TPC is \$16.676M.

Water Supply

Storage Facilities:

Anderson Dam FOCF Sub-Projects cont...

➤ **91864010 Cross Valley Pipeline Extension Project (CVPEP)**

SCHEDULE (COMPLETION DATE) AND COST: Project schedule extended by 3 months/ Inflated TPC increased by \$318K

The uninflated TPC increased by \$318K; the inflated TPC increased by \$318K. The Project completion date has been extended three months due to several delays such as delivery of Valley Water Furnished Material as a result of the COVID-19 pandemic, receipt of the permit for the outfall work, as well as contractor delays in the pipeline installation. The Project cost increased due to additional right of way costs to extend lease agreement for construction staging areas, design costs related to the delay of procurement of long-lead items, and costs for construction management services. The revised inflated TPC is \$7.723M.

Water Supply

Treatment Facilities:

93294057 RWTP Reliability Improvement Project

SCOPE, SCHEDULE (COMPLETION DATE) AND COST: Scope change/Construction and Closeout Schedules extended by 3 years/Inflated TPC increased by \$192.881M

The uninflated TPC has increased by \$176.619M; the inflated TPC increased by \$192.881M. The schedule completion date has been extended by three years. The project's cost increase and schedule extension are due to reassessment of construction costs for Phases 3-6 of the project, particularly with regard to current volatile market conditions and inflation escalation rates, which are projected to fall at around 15 percent over the next few years. The revised inflated TPC is \$654.620M.

Water Supply

Recycled Water Facilities:

91304001 Purified Water Project (PWP)

SCOPE, SCHEDULE (PHASE ONLY), AND COST: Scope change/Planning and Design schedule extended/Inflated TPC increased by \$465.777M

The uninflated TPC increased \$381.718M; the inflated TPC increased by \$465.777M. Due to delays in obtaining the necessary agreements with the CPA, the schedule is now proposed to start with design services in 2024 for 18 months including a 6-month overlap with the construction phase lasting 3.5 years. Total project schedule is 5 years with water delivery in mid-2028. Planned project expenditures increased due to several factors, including updated contingency percentages due to current market, requirements for federal funding, increase in material costs, increase in design and engineering services and direct costs due to reduced schedule and increase in scope, construction management costs proportionate to construction, and the need for an independent engineer for the P3 entity. In addition, facility expenditures increased for the construction of the Advanced Water Purification Facility (AWPF) and the pipeline, in part due to increased size of the AWPF from 10-million gallons per day (MGD) to 12 MGD and storage tank construction material. The revised inflated TPC is \$1.218B. *(Note: The Purified Water Project is planned to be delivered via a Public-Private Partnership or P3, and as such there is a potential impact to Fund 61 through an increased availability payment at the time the facilities become operational in the future. To offset this impact Valley Water is pursuing grants and loans.)*

Flood Protection

Lower Peninsula Watershed:

10394001 Palo Alto Flood Basin Tide Gate Structure Replacement

SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by ~6 years/Inflated TPC increased by \$43.957M

The uninflated TPC has increased by \$35.249M; the inflated TPC increased by \$43.957M. The schedule completion date has been extended by approximately 6 years, which includes a 5-year plant establishment maintenance period in compliance with project regulatory permits. The Project schedule has been revised to account for changes in the Environmental Phase, Design Phase, Construction Phase, and Close-Out Phase. Costs have increased due to a design change and a \$33M (uninflated) increase to construction due to testing of excavated soils that were found to exceed thresholds for soil reuse along with increases market conditions. Tribal monitoring and full-time biological monitoring are other reasons for cost increases which were previously not expected but are required per regulatory permit conditions. The revised inflated TPC is \$83.289M.

Flood Protection

Coyote Watershed:

26174043 Coyote Creek, Montague Expressway to Tully Road (E1)

SCHEDULE (PHASE ONLY) AND COST: Inflated TPC increased by \$161.890M

The uninflated TPC increased by \$132.918M; the inflated TPC increased by \$161.890M. The Design Phase is being extended to account for the time required to complete CEQA & NEPA requirements needed for the project. The Right(s)-of-Way, Construction, and Close-Out Phase are being extended to align with the extension of the Design Phase. Construction (Civil) ends in FY27, but there is a plant establishment period which ends in FY31. The construction costs have increased as the result design refinement from the planning phase and increased material costs as well as increases in market conditions. The revised inflated TPC is \$224.719M.

Next Steps

The CIP team has processed the project plan updates and provided the Financial Planning and Revenue Unit (Unit 683) with detailed data. Based on the data provided, Unit 683 will perform financial analysis of the impacts these changes have on the respective funds. Listed below are the next steps in the CIP Annual Process:

- Receive CIP Committee feedback on significant project plan updates **11/14**;
- Unit 683 to provide financial analysis on funds **11/14**;
- CIP Evaluation Team to review project plan updates, initially validated/unfunded project list, funding filters for prioritization, fund analysis, and all feedback received to prepare the CIP's Draft Preliminary FY 2024-28 Five-Year Plan **11/15**;
- CIP Committee to review CIP's Draft Preliminary FY 2024-28 Five-Year Plan, funding filters for prioritization and fund analysis on **12/12**; and
- Board to review CIP's Draft Preliminary FY 2024-28 Five-Year Plan, funding filters for prioritization and fund analysis on **1/10***.

INFORMATION ONLY
(Presented if Requested)
Summary of All Project Plan Updates

Project Plan Updates from Board Adopted FY 22-26 CIP

16

Overview

- **12 Projects** had changes to **Schedule and Cost**
- **8 Projects** had changes to **Scope, Schedule and Cost**
- **8 Projects** had changes to **Schedule – TPC changes due to inflation**
- **3 Projects** had changes to **Cost Only**
- **2 Projects** had changes to **Scope and Cost**
- **2 Projects** had changes to **Scope and Schedule– TPC changes due to inflation**
- **5 Projects** had changes due to **Small Capital Forecast Revisions**
- **5 Placeholder Projects** had changes due to **Administrative Updates**

Changes to Schedule and Cost

17

Water Supply (Storage Facilities):

1. 91864006 Anderson Dam Tunnel Project: Schedule – Completion date added /Inflated TPC increased by \$34.824M
2. 91864007 Coyote Creek Flood Management Measures (CCFMMP): Schedule – Completion date extended by four years/Inflated TPC increased by \$66.702M
3. 91864008 Coyote Creek Stream Augmentation Fish Protection Measures Project (SAFPMP): Schedule - Completion date extended by 1 year and 4 months/ Inflated TPC increased by \$2.987M
4. 91864009 Coyote Percolation Dam Replacement Project (CPDRP): Schedule – Completion date extended by 6 months/Inflated TPC increased by \$2.808M
5. 91864010 Cross Valley Pipeline Extension Project (CVPEP): Schedule – Completion date extended by 3 months/Inflated TPC increased by \$318K

Water Supply (Treatment Facilities):

6. 93294051 RWTP Residuals Management: Schedule – Completion date extended by 1 year/TPC decreased by \$924K

Changes to Schedule and Cost

18

Flood Protection (Recycled Water Facilities):

7. 10394001 Palo Alto Flood Basin Tide Gate Structure Replacement: Schedule – Completion date extended by ~6 years/Inflated TPC increased by \$43.957M
8. 10244001 Permanente Creek, SF Bay to Foothill Expwy: Schedule – Completion date extended by 2 years/Inflated TPC increased by \$2.198M
9. 26284002 San Francisquito Creek (Construction SF Bay to Middlefield Rd.): Schedule – Completion date extended by 1 year/Inflated TPC decreased by \$2.153M

Flood Protection (Coyote Watershed):

10. 26174043 Coyote Creek, Montague Expressway to Tully Road (E1): Schedule – Completion date extended by 5 years/Inflated TPC increased by \$161.890M

Water Resources Stewardship (Multiple Watersheds):

11. 26044004 Bolsa Road Fish Passage Improvements: Schedule – Completion date extended by 1 year/Inflated TPC increased by \$2.806M

Information Technology:

12. 95274003 WTP-WQL Network Equipment: Schedule – Completion date extended 9 years/Inflated TPC increased by \$1.768M

Changes to Scope, Schedule and Cost

19

Water Supply (Storage):

1. 91864005 Anderson Dam Seismic Retrofit Project (ADSRP): Scope change/Schedule – Phase Only/Inflated TPC increased by \$52.216M

Water Supply (Transmission):

2. 92304001 Almaden Valley Pipeline Replacement: Scope change/Schedule – Construction phase extended 1 year/Inflated TPC increased by \$2.731M

Water Supply (Treatment Facility):

3. 93294057 RWTP Reliability Improvement Project: Scope change/Schedule – Completion date extended by 3 years/Inflated TPC increased by \$192.881M
4. 93084004 Water Treatment Plant Electrical Improvement Project: Scope change/Schedule – Completion date extended by 2 years/Inflated TPC increased by \$6.886M

Recycled Water Facilities:

5. 91304001 Purified Water Project (PWP): Scope change/Schedule - Planning and Design phases extended/Inflated TPC increased by \$465.777M

Water Resources Stewardship (Multiple Watersheds)

6. 26044003 Ogier Ponds Separation from Coyote Creek Planning & Design Project: Scope change/ Schedule – Completion date extended 7 months/Inflated TPC increased by \$17K
7. 20444001 Calabazas/San Tomas Aquino Creek Marsh Connection: Scope change/Schedule – Completion date extended by 1 year and 5 months/Inflated TPC increased by \$3.317M
8. 26044002 SCW Fish Passage Improvements (D4.3; Evelyn, Singleton): Scope change/Schedule – Completion date extended 3 years/Inflated TPC decreased by \$953K

Changes to Schedule – TPC changes due to Inflation

20

Water Supply (Storage Facilities):

1. 91084020s Calero and Guadalupe Dams Seismic Retrofits (Planning Only and Design/Construction Placeholders): Schedule – Completion date extended by four years/Inflated TPC increased by \$8.391M
2. 91084019 Dam Seismic Safety Evaluation: Schedule – Completion date extended by 4 years/Inflated TPC increased by \$919K

Water Supply (Transmission Facilities):

3. 92144001 Pacheco/Santa Clara Conduit ROW Acquisition: Schedule – Completion date extended by 1 year/ Inflated TPC increased by \$78K
4. 95044002 SCADA Implementation: Schedule – Planning phase extended by 1 year/TPC decreased by \$2K

Recycled Water Facilities:

5. 91094010 South County Recycled Water Pipeline (Short Term 2): Schedule – Completion date extended by 1 year/ Inflated TPC increased by \$24K

Flood Protection (West Valley Watershed):

6. 26074002 Sunnyvale East and West Channels (E2): Schedule – Environmental and Design Phases extended by 1 year/Inflated TPC decreased by \$51K

Changes to Schedule – TPC changes due to Inflation

21

Water Resources Stewardship (Guadalupe Watershed)

7. 26044001 Almaden Lake Improvements: Schedule – Construction phase extended 1 year/Inflated TPC increased by \$5.419M

Buildings and Grounds

8. 60204032 Headquarters Operations Building: Schedule – Completion date extended 3 years/Inflated TPC increased by \$1.282M

Changes to Cost Only

22

Water Supply (Transmission Facilities):

1. 92264001 Vasona Pump Station Upgrade: Inflated TPC increased by \$7.190M

Water Supply (Treatment Facilities):

2. 93284013 STWTP Filter Media Replacement Project: TPC increased by \$5.692M

Water Resources Stewardship (Lower Peninsula Watershed)

3. 26164001 Hale Creek Enhancement Pilot Study: TPC increased by \$3.425M

Changes to Scope and Cost

23

Water Supply (Transmission Facilities):

1. 95084002 10-Year Pipeline Rehabilitation Project: Scope change/Inflated TPC increased by \$14.887M

Flood Protection (Uvas Llagas Watershed):

2. 26174052 Llagas Creek–Upper, Corps Coordination (E6a): Scope change/TPC decreased by \$80M

Changes to Scope and Schedule – TPC changes due to Inflation

24

Water Supply (Storage Facilities):

1. 91854001 Almaden Dam Improvements Project: Scope/Schedule – Phase Only/Inflated TPC decreased by \$3.392M
2. 91954002 Pacheco Reservoir Expansion Project: Scope change/ Schedule – Completion date extended by 3 years/Inflated TPC increased by \$319.043M

Small Capital Forecast Revisions

25

Water Supply (Storage Facilities):

1. 91214010s Small Capital Improvements, San Felipe Reach 1-3: TPC decreased by \$7.556M

Water Supply (Transmission Facilities):

2. 92764009 Small Capital Improvements, Raw Water: TPC decreased by \$2.976M
3. 94764006 Small Capital Improvements, Treated Water: TPC decreased by \$164K

Water Supply (Treatment Facilities):

4. 93764004 Small Capital Improvements, Water Treatment: TPC decreased by \$12.604M

Flood Protection (Multiple Watersheds):

5. 62084001 Watersheds Asset Rehabilitation Project (WARP): TPC increased by \$2.902M

The forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. It's not a single asset rehabilitation project that leads to the change, but rather the cumulative total of multiple changes.

Administrative Updates to Placeholder Projects

26

Water Supply (Transmission Facilities):

1. 92C40357 FAHCE Implementation: Schedule Only

Since the two creeks FAHCE EIR is still being finalized and agency permitting will also be required, the FAHCE implementation project planned expenditures were moved to begin in FY27. The overall TPC remain unchanged.

Flood Protection (Coyote Watershed):

2. 40C40397 Berryessa Creek Flood Protection Project – Lower Penitencia Creek to Calaveras Blvd. (Phase 3 – Construction): Schedule Only

To align with the Safe, Clean Water and Natural Flood Protection Program's Planning and Design Project Schedule for the Phase 3 Project (E3), the Project's planned expenditures were moved to begin in FY36. As a result of the 15-year forecast period for the CIP's Five-Year Plan, the Project Plan only captures the planned expenditures for FY 36-38 and therefore the project appears to have decreased. However, the planned expenditures for FYs 39-41 will be brought into the forecast on an annual basis. The overall TPC will remain unchanged.

Administrative Updates to Placeholder Projects Cont...

27

Water Resources Stewardship (Coyote Watershed):

3. 00C40400s Watershed Habitat Enhancement Design & Construction: Schedule Only
To align with the feasibility study currently underway in project 62044001, the Project's planned expenditures were moved to begin in FY27 (this Project includes two sub-placeholder projects for Metcalf Ponds and Ogier Ponds). The overall TPC remain unchanged.

Multiple Watersheds:

4. 26C40370 SCW Implementation - Fish Passage Improvements (D4.3) : Schedule Only
To align with staff availability, the Project's planned expenditures were moved to FY28. The overall TPC remain unchanged.
5. 26C40419 SCW Implementation – Restoration of Natural Creek Functions (D6.3) : Schedule Only
To align with staff availability, the Project's planned expenditures were moved to FY28. The overall TPC remain unchanged.



Valley Water

Clean Water • Healthy Environment • Flood Protection



Santa Clara Valley Water District

File No.: 22-1254

Agenda Date: 11/14/2022

Item No.: 4.5.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Review 2022 Capital Improvement Program Committee Work Plan.

RECOMMENDATION:

Review the 2022 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 to prepare 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.

The CIP Work Plan contained in Attachment 1 is presented for the Committee's review to determine topics for discussion in 2022.

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.

ATTACHMENTS:

Attachment 1: 2022 CIP Committee Work Plan

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

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CIP Committee 2022 Workplan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Capital Project Monitoring												
Feasibility/Planning	X			X			X			X		
Design/Permitting	X	X			X			X			X	
Construction	X		X			X			X			X
Other Capital Projects included in 5-Year Plan (placeholder/closeout)							X					
CIP Implementation												
Lower Berryessa Creek Phase 2 Project Update		X										
Dam Safety Program Overview and Updates			X									
Purified Water Program Update			X									
Updates 10-Year Pipeline Program Overview and Updates				X								
ERP System Implementation Overview and Updates						X						
Future Funding for Dam Safety Program							X					
Consultant Agreement Compliance Process								X				
Potential Impacts of Inflation and Economic Outlook on CIP								X				
Capital Project Management and Project Controls Program Overview									X			
Environmental Mitigation and Monitoring Program Overview									X			
Coyote Pumping Plant ASD Replacement										X		
CIP Development												
CIP Process Audit					X							
CIP Planning Process												
• Annual CIP Process and Integrated Financial Planning Schedule and Review of Initially Validated and Unfunded Projects										X		
• Review Significant Project Plan Updates											X	
Preliminary CIP Review												X
Standing Items												
Anderson Dam Tunnel Project Contingency and Change Order Monitoring	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
Workplan	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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