

December 8, 2022

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

Members of the Capital Improvement Program Committee:

Director Nai Hsueh, 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, December 12, 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**

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

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

### **SPECIAL MEETING AGENDA**

**Monday, December 12, 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

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](mailto:esans@valleywater.org)  
[www.valleywater.org](http://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**

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Monday, December 12, 2022

11:00 AM

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

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

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**\*\*\*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: 94158013374**

**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 November 14, 2022 Capital Improvement Program Committee Minutes. [22-1280](#)
- Recommendation: Approve the minutes.
- Manager: Candice Kwok-Smith, 408-630-3193
- Attachments: [Attachment 1: 111422 CIP Committee Minutes](#)
- Est. Staff Time: 5 Minutes

#### **4. ACTION ITEMS:**

- 4.1. Review Capital Project Monitoring - Construction Report. [22-1251](#)
- Recommendation: Receive and discuss information regarding the status of capital projects in the construction phase.
- Manager: Bhavani Yerrapotu, 408-630-2735  
Emmanuel Aryee, 408-630-3074  
Christopher Hakes, 408-630-3796  
Mike Cook, 408-630-2424
- Attachments: [Attachment 1: Capital Project Monitoring - Construction](#)
- Est. Staff Time: 15 Minutes
- 4.2. Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract. [22-1252](#)
- 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. [22-1253](#)
- Recommendation: Receive information on upcoming consultant agreement amendments for capital projects.
- Manager: Chris Hakes, 408-630-3796  
Emmanuel Aryee, 408-630-3074  
Vincent Gin, 408-630-2633
- Est. Staff Time: 5 Minutes

- 4.4. Review the Capital Improvement Program's Draft Preliminary Fiscal Year 2024-2028 Five-Year Plan. [22-1250](#)

Recommendation: Review and discuss the Capital Improvement Program's Draft Preliminary Fiscal Year 2024-2028 Five-Year Plan and provide recommendations to staff as needed.

Manager: Luz Penilla, 408-630-2228

Attachments: [Attachment 1: Draft Preliminary FY 2024-27 CIP](#)  
[Attachment 2: Summary of Capital Project Plan Updates](#)  
[Attachment 3: Funding Filters for Prioritization](#)  
[Attachment 4: PowerPoint](#)

Est. Staff Time: 30 Minutes

- 4.5. Review 2022 and 2023 Capital Improvement Program Committee Work Plans and 2023 Proposed Meeting Schedule. [22-1255](#)

Recommendation: A. Review the 2023 Capital Improvement Program Committee Draft Work Plan and make adjustments, as necessary; and  
B. Confirm dates for 2023 CIP Committee meetings.

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

Attachments: [Attachment 1: 2022 CIP Committee Work Plan](#)  
[Attachment 2: 2023 CIP Committee Work Plan](#)  
[Attachment 3: Proposed 2023 CIP Committee Meeting Dates](#)

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.**

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# Santa Clara Valley Water District

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**File No.:** 22-1280

**Agenda Date:** 12/12/2022

**Item No.:** 3.1.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### **SUBJECT:**

Approval of November 14, 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: 111422 CIP Committee Minutes

#### **UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

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## CAPITAL IMPROVEMENT PROGRAM MEETING

# DRAFT MINUTES

**MONDAY, NOVEMBER 14, 2022  
11:00 AM**

(Paragraph numbers coincide with agenda item numbers)

### **1. CALL TO ORDER:**

A special meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Program Committee (Committee) was called to order at 5700 Almaden Expressway in San Jose, California at 11:05 a.m. and via Zoom teleconference.

#### **1.1 Roll Call.**

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

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

Staff members in attendance were G. Adriano, E. Aryee, A. Baker, L. Bankosh, H. Barrientos, A. Beaman, S. Berning, R. Blank, J. Bourgeois, T. Chinte, J. Codianne, J. Collins, M. Cook, M. De Martini, S. Ferranti, A. Fraumeni, M. Ganjoo, C. Gayotin, A. Gordon, V. Gin, C. Hakes, J. Ham, H. Hoang, G. Jacobson, S. Klopfer, C. Kwok-Smith, O. Leonardo, E. Llamas, J. Martin, R. McCarter, P. McElroy, C. Narayanan, K. Neuman, T. Ndah, M. Nguyen, C. Orellana, L. Orta, L. Penilla, A. Phagan, M. Richardson, D. Rocha, K. Struve, D. Taylor, J. Villareal, B. Welch, R. Yamane, B. Yerrapotu, and T. Yoke.

Guest in attendance: J. Crowder, J. Davel, and K. Irvin.

District 4 Director Linda LeZotte attended without participating in the discussion.

### **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.

Chairperson Hsueh announced that Item 4.1 discussion would not include projects that are already included on Item 4.4; that Item 4.4 would be considered before Item 4.3 and followed by Item 4.2.

### **3. APPROVAL OF MINUTES:**

### **3.1 Approval of October 17, 2022 Capital Improvement Program Committee Minutes.**

Recommendation: Approve the minutes.

It was moved by Director Estremera, seconded by Chairperson Hsueh, to approve the October 17, 2022 minutes as presented.

## **4. ACTION ITEMS:**

### **4.1 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.

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 during the Attachment 1 presentation:

- On Line 5, *IRP2 Additional Line Valves Project*, this would be the final project for the IRP2 implementation and this project would be funded in the Safe Clean Water program.
- On Line 21, *Sunnyvale East/West Channels Project*, the Bay Area Joint Aquatic Resources Permit Application is anticipated to be resubmitted to various agencies in the next month.
- On Line 25, *San Francisco Bay Shoreline EIA-11 Alviso Slough to Coyote Creek Bypass Project*, USACE had asked Valley Water for a letter requesting value engineering or design optimization for Reaches 4 & 5 in an effort to bring the project costs down.
- On Line 27, *Almaden Lake Improvement Project*, staff is revising the design to reduce the project costs, and ensure that it would not result in increased cost in addressing EIR issues.

The Committee requested staff to copy the full Board on a USACE letter mentioned during the discussion of the *San Francisco Bay Shoreline EIA-11 Alviso Slough to Coyote Creek Bypass Project*.

Chairperson Hsueh moved the agenda to Item 4.4

### **4.4 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.

Jessica Collins, Business Planning and Analysis Manager, reviewed the information on this item, per the attached Committee agenda memo, and per the information contained in

Attachment 2, and stated that this yearly item is brought to this Committee for projects with the most impacts to funds and project plan updates.

The Committee received a presentation of Attachment 2 on a catalogue of project plan updates since the last FY 22-26 CIP.

The Committee noted the following during the presentation without taking formal action:

- On Slide 4, the \$20.825M decrease to the Watersheds Stream Stewardship Fund 12, staff mentioned that the \$20.825M did not include the \$80M decrease on the *Upper Llagas Creek-Upper, Corps Coordination*, Project No. 26174052. Staff added that a bifurcation of the Upper Llagas project occurred and would be shown in a financial model to be presented to the Committee at the next meeting.
- On Slide 7, the four years schedule extension for the *Coyote Creek Flood Management Measures*, Project No. 91864007 included three years of plant establishment period. Fifteen to eighteen months of the schedule extension was compressed to advance completion ahead of the Anderson tunnel operation.
- On Slide 10, Cordoba Corporation would provide project management services for the RWTP Reliability Improvement Project Phase 3 - 6, and construction management services for only two tasks that they did very well during Phases 1 and 2. Staff is currently negotiating with another construction management consultant firm that will be providing the total construction management services for Phases 3 – 6.
- On Slide 12, the *Palo Alto Flood Basin Tide Gate Structure Replacement*, Project No. 10394001, USACE had validated the importance of the flood gates as part of the Shoreline Phase 2 study and indicated that the Palo Alto Tide Basin is in fact providing sea level rise protection for the south bay.

Chairperson Hsueh moved the agenda to Item 4.3.

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

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

Several staff reviewed the information on this item per the attached Committee Agenda Memo.

The Committee received the following information and took one formal action:

- In regard to Amendment No. 4 to Agreement No. A4242G with Cordoba Corporation, Phase 3 - 6 of the *Rinconada Water Treatment Plant (RWTP) Reliability Project* would use the same management model that was used for the successful completion of Phase 1 - 2, except this time, Emmanuel Aryee, Deputy Operating Officer, would serve as the Program Manager, and Cordoba Corporation would be providing program management services to him. The agreement with Cordoba that was used for the successful completion of Phase 1 - 2 had one Construction Manager (CM) for Phases 1 - 2, and another CM for Phases 3 - 6. Chairperson Hsueh requested to include, for the record on Page 28, 2nd paragraph, 1<sup>st</sup> sentence, “. . . for a new not-to-exceed fee

of \$9,646,153 . . .” should be corrected to say, “. . . for a new not-to-exceed fee of \$24,409,273.”

- In regard to Amendment No. 1 to Agreement No. A4343A with CPM Associates, CPM Associates provided on-call scheduling analysis for the *RWTP Reliability Project* schedule submitted by the design engineer.
- In regard to Amendment No. 2 to Agreement No. A4325G with Horizon Water and Environmental, LLC for the *Anderson Dam Seismic Retrofit Project*, the Committee took a motion:

Motion: Recommend to the full Board approval of 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)

Move to Approve: T. Estremera

Second: N. Hsueh

Chairperson Hsueh returned the agenda to Item 4.2.

**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.

Chairperson Hsueh moved the agenda to Item 4.5.

**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 December 12, 2022, and added that next month would be a continuation of discussion of major project plan updates and preliminary CIP as well as the regularly scheduled items.

**5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.**

None.

**6. ADJOURN.**

**6.1 Adjourn to Special Meeting at 11:00 a.m. on December 12, 2022.**

Chairperson Hsueh adjourned the meeting at 12:30 p.m. to the next meeting on December 12, 2022.

Eva Sans  
Assistant Deputy Clerk II

Approved:  
Date:

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# Santa Clara Valley Water District

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**File No.:** 22-1251

**Agenda Date:** 12/12/2022

**Item No.:** 4.1.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### **SUBJECT:**

Review Capital Project Monitoring - Construction Report.

#### **RECOMMENDATION:**

Receive and discuss information regarding the status of capital projects in the construction 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 construction 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 construction 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: Capital Project Monitoring - Construction

#### **UNCLASSIFIED MANAGER:**

Bhavani Yerrapotu, 408-630-2735

Emmanuel Aryee, 408-630-3074

Christopher Hakes, 408-630-3796

Mike Cook, 408-630-2424

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## Capital Project Monitoring Report - December 2022

Construction Phase						
Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	In house	External	Combination
<u>Water Supply</u>						
1	91864006	Anderson Dam Tunnel Project	Diversion Outlet Structure (DOS) excavation in Zones A, B, and C was completed and the Controlled Low-Strength Material (CLSM) was placed in all three Zones. DOS excavation in Zone D and CLSM placement continued through November. Tunnel excavation began at the diversion outlet portal on November 9, 2022 and will continue upstream toward the reservoir. The High-Level Outlet Work (HLOW) shaft excavation is in progress. The contractor is excavating the shaft from elevation 430 ft to 425 ft; the bottom of the HLOW shaft (tunnel invert) is at the elevation of 415 ft.			X
2	91864010	Cross Valley Pipeline Extension Project	The contractor has installed 95% of pipeline including the outfall, and is working on installation of the vaults, appurtenances and stilling well. Construction of the outfall is complete. Construction completion is now estimated to be March/April 2023 due to supply chain disruptions related to pre-procured equipment (flowmeter) and coordination of two new PG&E electrical services.	X		
3	91214010	Small Capital Improvements, San Felipe, Reach 1: Pacheco Pumping Plant Electrical Current Limiting Fuse and Hydraulic Valve Operating System (HVOS) Upgrades	Contractor has mobilized and fabrication of long lead time electrical equipment is in progress and on track for installation. Construction completion is anticipated for the spring 2023.	X		
4	95084002	10-Year Pipeline Inspection and Rehabilitation Project (Santa Clara Conduit)	The Contractor has mobilized, and the pipeline dewatering operations are underway.	X		
5	95084002	10-Year Pipeline Inspection and Rehabilitation Project (Almaden Valley Pipeline)	The Contractor has mobilized, and the pipeline dewatering operations are underway.	X		
6	93294058	Rinconada WTP Residuals Remediation Project	Installation of various facilities are in progress including the handrailing and grating for walkways at Sludge Storage Tanks No. 1 and No. 2, electrical conductors at Motor Control Center #3, Centrifuge Building B improvements, the Sludge Transfer and the Centrifuge Feed Pump Stations, etc. Construction completion is anticipated for summer 2023.	X		
7	93764004	Penitencia WTP Flocculation/Sedimentation Basin Rehabilitation Project	Contractor continues to address equipment deficiencies identified during project startup and commissioning. Stuffing box replacements were successfully completed in Basin 2 in October 2022. The remaining equipment replacements are scheduled for January/February 2023.	X		
8	93284013	Santa Teresa Water Treatment Plant Filter Media Replacement	Construction contract was awarded by the Board of Directors on April 26, 2022. The Notice to Proceed was issued on May 5, 2022, and the first chargeable day was June 6, 2022. Staff has been reviewing submittals and coordinating mobilization logistics. Construction completion is anticipated for spring 2024.	X		
9	91094009	South County Recycled Water Pipeline Project	80% of the contract pipeline work has been installed. All jack and bore and microtunneling operations have been completed. Construction work for the remaining segment 1C is "On Hold" because an agreement has not been reached with the property owners regarding the easement for that segment.	X		
<u>Flood Protection</u>						
10	10244001	Permanente Creek, SF Bay to Foothill Expressway	Floodwall Retrofit design for the segment downstream of Hwy 101 is complete. Project was advertised for construction in August 2022. Bids were opened on October 5, 2022. The Board of Directors awarded the construction contract on November 22, 2022. The project is anticipated to have a four month construction duration.	X		

## Capital Project Monitoring Report - December 2022

### Construction Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	In house	External	Combination
11	40174005	Other 2012 SCW: Berryessa Creek, Lower Penitencia Creek to Calaveras Blvd, Phase 2	Construction for the Lower Calera Creek Project started in June 2021 and is currently underway. All in-channel floodwall work has been completed. Contractor continues work on outboard floodwall, maintenance roads, and concrete flatwork. All civil work will be completed by January 2023, followed by a plant establishment phase.	X		
12	40334005	Lower Penitencia Creek Improvements, Berryessa to Coyote Creeks	Construction for Lower Penitencia Creek Project started in July 2021. All floodwalls have been installed. Contractor continues to work on concrete pile caps and wall facings. All in-channel work has been completed with the exception of several duckbill valves. All civil work in the contract will be completed by winter 2022/2023, followed by a three-year plant establishment and maintenance period. A channel lining fix due to erosion damage caused by a baker tank overflow will be conducted in summer 2023.	X		
13	26174051 26174052 26174055	E6: Upper Llagas Creek Flood Protection Project, Phase I and Phase 2A	<p>Phase 1 construction was completed and accepted by the Board of Directors on May 24, 2022. This precedes a three-year plant establishment phase, which is currently underway and will be completed in March 2025.</p> <p>Construction contract for Phase 2A was awarded summer 2021 and is currently in progress. Significant utility relocations have been completed as part of the construction to date as well as the completion of the underground twin reinforced concrete box culverts along Del Monte Avenue and Ciolino Avenue anticipated by December 2022. Approximately 2,000 feet of the 2,100 foot underground by-pass tunnel has been excavated to date; completion of the tunnel excavation is anticipated by the end of this calendar year. Staff are in the process of negotiating an owner directed change order to extend the underground tunnel by an additional 125 feet because the existing overhead utilities and open-cut construction as designed would result in significant delays and challenges for construction. The estimated cost of this change order is approximately \$900K. In compliance with the change order process audit recommendations, this change order would trigger a review and approval process by a change control board. Phase 2A contract completion date is expected May of 2024, but the project is currently a couple of months ahead of schedule.</p>	Phase 1	Phase 2A	
14	00044026	San Francisco Bay Shoreline, EIA 11 - Alviso Slough to Coyote Creek Bypass (E7: 26444001, 26444002, 26444004)	Construction of levees in the first three reaches, Reaches 1-3, is ongoing. Reaches 1-3 are located between the Alviso Marina and U.S. Fish and Wildlife Service (USFWS) Don Edwards Environmental Education Center. The United States Army Corps of Engineers (USACE) awarded the construction contract in August 2021 to Maloney-Odin Joint Venture. Construction began on December 6, 2021 and is anticipated to be completed by January 2024.	N/A	USACE construction	
15	62084001	Watershed Asset Rehabilitation Program	The Board of Directors awarded the construction contract for the Calabazas Creek Rehabilitation Project to Granite Construction on May 24, 2022. This two-season project consists of repair for 10 erosion sites between Miller Ave. and Bollinger Road. Year One construction of six sites were completed. Year Two construction of Giken silent sheet piles will be constructed for four sites next season ending in November 2023.	X		
<b>Water Resources Stewardship</b>						
16	26164001	D6: Restoration of Natural Creek Functions: Hale Creek Enhancement Pilot Project	Construction contract for Hale Creek was awarded to McGuire & Hester on May 10, 2022. Construction began on June 1, 2022 and is anticipated to be completed by the end of 2022. In-channel construction is expected to be completed by November 18, 2022 and top-of-bank improvements completed by December 30, 2022, followed by a three-year plant establishment period.			X
17	26044004	D6.2: Bolsa Road Fish Passage Improvements	The Board of Directors approved an agreement with Cal Engineering & Geology, Inc. for construction management services in March 2022. The Board of Directors awarded the construction contract to Teichert Inc. on July 12, 2022. Notice to Proceed for construction was issued on July 26, 2022. Construction is expected to start in May/June 2023.		X	

## Capital Project Monitoring Report - December 2022

### Construction Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	In house	External	Combination
<u>Buildings &amp; IT</u>						
18	73274009	Data Consolidation	The Human Resources Division (HR) project is currently mid-implementation looking to digitize over 80 document types into the new paperless system. Recently a scanning vendor has been procured to assist with the scanning and indexing of HR's hard-copy personnel records as well. Project team is currently in the process of scoping implementation for the Community Projects Review Unit in alignment with the desired outcomes of their recent audit and modernization project.	N/A	N/A	N/A
19	73274001	Information Technology Disaster Recovery	Valley Water is partnering with VMware and Amazon Web Services to build a redundant virtual data center in the cloud. This project will allow Valley Water servers to run side by side in on-site and cloud data centers to create an "always ready" redundant server environment. Other in-progress initiatives include the procurement of removable drives to replace existing tape backups. The projects identified by our 2021 strategy are likely to require a two-to-three year timeline for implementation.	N/A	N/A	N/A
20	73274002	ERP System Implementation	System is currently live with all modules currently live. Finance modules have been in production since January with all other modules implemented by April. Project team continues to work fewer than ten punchlist items with vendor and is continuing the development of enhancements and integrations with new tools, such as our new Workforce Planning Tool Vemo, our new Learning Management System and others.	N/A	N/A	N/A
21	73274012	Telephone System Voice Over IP	System is currently live for all staff/all locations. Team is currently implementing related post go-live tasks, such as configuring building/facility paging systems. Project is scheduled to close in the summer 2023.	N/A	N/A	N/A

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# Santa Clara Valley Water District

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**File No.:** 22-1252

**Agenda Date:** 12/12/2022

**Item No.:** 4.2.

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## **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 is one pending contract change order (CCO #10) to present to the CIP Committee.

#### **Contract Change Order #10**

1. **Monitoring of Additional Piezometer.** Allowance for additional cost for monitoring and reporting by an instrumentation specialist of an additional piezometer installed in IN-2DP(B) through 2024. The additional piezometer will provide groundwater level monitoring for the Diversion Outlet Structure and the work is valued at \$30,000.00.
2. **Low-Level Outlet Tunnel (LLOT) Transition Zone Ground Support.** Procurement and installation of steel sets for ground support at the Low-Level Outlet Tunnel transition zone as the contractor's means to stabilize the ground and maximize safety of the underground workspace. The steel sets were found to be the conservative way to support the ground following a 3D model analysis conducted by the contractor. Therefore, to mitigate risk during the construction of the transition zone, and avoid potential delays, it was agreed that steel sets would be installed. The work is valued at \$1,200,000.00.
3. **Diversion Outlet Structure Portal Conditions.** Differing ground conditions and shutdowns at the Diversion Portal Soil Nail Wall resulted in additional efforts by Flatiron's drilling subcontractor (Drill Tech Drilling & Shoring) to complete the Diversion Portal Soil Nail Wall. This work is valued at \$624,000.00.
4. **Partnering.** Allowance to increase funds to increase the number of Partnering sessions for the Project with Flatiron West Inc. in accordance with Standard Provisions Article 3.15 Partnering. The additional partnering sessions will provide for cooperative communication between the parties and help resolve conflicts. This work is valued at \$81,400.00.

The approximate net value of the contract change order presented (CCO #10) is \$1,935,400.

#### **ATTACHMENTS:**

Attachment 1: Construction Contract Change Orders Status

#### **UNCLASSIFIED MANAGER:**

Christopher Hakes, 408-630-3796



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

CCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
		<b>4/27/2021</b>	<b>Original Contract</b>	<b>\$161,140,321.00</b>	<b>\$40,000,000.00</b>	<b>Board</b>	
1	01/18/22	12/16/2021	Additional Tree Removal, Protection and Relocation	\$460,250.41	\$39,539,749.59	DOO	Approved
2	02/14/22	4/26/2022	Outlet Works Vertical Shaft Re-sizing	\$3,783,119.15	\$35,756,630.44	CEO	Approved
3	05/16/22	5/17/2022	Water Quality Monitoring Equipment, Miscellaneous demolition, TCEAP VHF/UHF Radios	\$131,603.28	\$35,625,027.16	AOO	Approved
4	06/13/22	6/30/2022	Tunnel and Miscellaneous Items from CDC-001/001.1, Remove Taber Drilling from Scope	\$386,801.98	\$35,238,225.18	DOO	Approved
5	06/13/22	6/30/2022	Upsizing Soil Nail Rows D&E from #18 to #20	\$228,562.00	\$35,009,663.18	DOO	Approved
6	07/18/22	8/6/2022	Increased Quantity of Diversion Portal Excavation, Assistance with Geological Investigations, Internet access to Trailer # 2, and Change of Infill material for High Level Outlet Works (HLOW) Shaft	\$63,063.32	\$34,946,599.86	UM	Approved
7	09/26/22	10/31/2022	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	\$33,419,875.02	ACEO	Approved
8	10/18/22	10/26/2022	Disposal of Regulated and Organic Material	\$80,001.00	\$33,339,874.02	UM	Approved
9	11/14/2022	11/21/2022	3-D Modeling of HLOW Shaft	\$101,101.00	\$33,238,773.02	AOO	Approved
DCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
1	09/26/22	10/5/2022	Milestone 7, 9, and 10 Completion Revisions	\$0.00	\$33,238,773.02	UM	Approved

<b>Total Approved</b>	<b>10</b>	<b>\$6,761,226.98</b>	<b>\$33,238,773.02</b>
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Pending CCO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
10	12/12/2022		Monitoring of Additional Piezometer, Supplementary Support for the Transition Zone, DOS Portal Conditions, Partnering	\$1,935,400.00	\$31,303,373.02	ACEO	Pending

<b>Total Pending</b>	<b>1</b>	<b>\$1,935,400.00</b>	<b>\$31,303,373.02</b>
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Total Number of COs	Total Amount of COs
11	\$8,696,626.98

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# Santa Clara Valley Water District

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**File No.:** 22-1253

**Agenda Date:** 12/12/2022

**Item No.:** 4.3.

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## 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. 9 to Agreement A3676A with URS Corporation for Design Services for Anderson Dam Seismic Retrofit Project, Project No. 91864005 and Engineering Support During Construction for Anderson Dam Tunnel Project, Project No. 91864006 (Time Extension, Scope Change, Cost Increase) (C. Hakes)**

Staff will recommend Board approval of Amendment No. 9 to Agreement A3676A with URS Corporation (Consultant) for design services for Anderson Dam Seismic Retrofit Project (ADSRP) and engineering support during construction for Anderson Dam Tunnel Project (ADTP) to extend the expiration date of the Agreement by two years from December 31, 2023, to December 31, 2025; increase the Not-to-Exceed (NTE) fee by \$19,889,406 for a total NTE fee of \$67,958,772; and to incorporate administrative updates to the Agreement.

The ADSRP will correct dam seismic deficiencies and meet all current Federal Energy Regulatory Commission (FERC) and California Department of Water Resources, Division of Safety of Dams (DSOD) dam safety design standards. In February 2020, Valley Water received a letter order from FERC to immediately implement ADSRP-related interim risk reduction measures, which included draining the reservoir to dead-pool level until the Project is completed. The full reservoir capacity will only be restored upon completion of the ADSRP.

Amendment No. 9 provides for extending the Agreement duration, incorporating changes in the scope of services, and increasing the Agreement NTE amount to provide funding for the additional services. Additional time is necessary for the Consultant to prepare the required design changes for the ADSRP as well as continue providing engineering support for the ADTP due to increased support requirements and its extended construction schedule.

Significant ADSRP design scope changes include a DSOD requirement that existing unlined spillways also be lined to accommodate the probable maximum flood, and Board of Consultants requirement that Valley Water consider armoring interim dam embankments to minimize the risk of overtopping. Furthermore, additional effort is also required to complete the design of the low-level outlet works, high level outlet works, temporary diversion, control buildings, spillway, winterization of interim dams, permanent access roads, temporary access roads, stockpile areas, staging areas, borrow areas, and dam safety monitoring instrumentation.

Pursuant to Agreement A3676A, the Consultant is performing design services for ADSRP and engineering support during the construction of ADTP. Amendment No. 9 will extend the expiration date of the Agreement from December 31, 2023, to December 31, 2025; increase the NTE fee by \$19,889,406 for a new total NTE fee of \$67,958,772; and incorporate administrative updates to the Agreement.

**2. Amendment No. 1 to Agreement A4418A with COWI North America, Inc. for Construction Management Services for Anderson Dam Tunnel Project No. 91864006 (Scope Change, Cost Increase) (E. Aryee)**

Staff will recommend Board approval of Amendment No. 1 to Agreement A4418A with COWI North America, Inc. (Consultant) for Construction Management Services for the Anderson Dam Tunnel Project No. 91864006 (ADTP), to increase the not-to-exceed (NTE) amount by \$8,584,817 for a new NTE fee of \$29,049,817; modify the scope of services to add work to be performed during the construction of ADTP; and incorporate administrative updates to the Agreement.

During Project construction, the perimeter air quality must be monitored to comply with the Bay Area Air Quality Management District (BAAQMD) requirements and permit, and there must be oversight monitoring of the construction contractor's stormwater pollution prevention plan.

This scope of work was originally included within the ADTP design consultant's scope of work to be performed during the permit acquisition, design, and construction phases. Following negotiations with BAAQMD, it was determined that this work is more appropriately a construction management (monitoring) activity that should be performed by the construction management consultant during the construction phase. The scope of work was deleted from the design consultant's agreement and added to the construction management Consultant's Agreement as part of Task 9 Environmental Compliance Services.

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 ADTP.

The scope of the ADTP includes constructing a diversion system to augment the existing outlet, which will consist of a diversion tunnel and outlet structure, a micro-tunnel lake tap, and modifications to Coyote Creek downstream of the Project. The Project also includes reservoir bank and rim stability improvements and existing intake structure modification.

Amendment No. 1 to Agreement A4418A with COWI North America, Inc. will expand the scope of services; increase the NTE fee by \$8,584,817 for a new NTE fee of \$29,049,817; and incorporate administrative changes to the Agreement.

**3. Amendment No. 3 to Agreement A3941A with GEI Consultants, Inc. for Design Services for the Guadalupe Dam Seismic Retrofit Project No. 91894002 (Time Extension) (C. Hakes)**

Valley Water's Deputy Administrative Officer executed Amendment No. 3 to Agreement A3941A with GEI Consultants, Inc. for design services for the Guadalupe Dam Seismic Retrofit Project No. 91894002 (Project) on December 5, 2022 to extend the expiration date of the Agreement by three years from December 25, 2022 to December 25, 2025.

Guadalupe Dam and Reservoir are currently subject to operational restrictions of 66% of the full reservoir capacity, as agreed to by Valley Water and the California Department of Water Resources, Division of Safety of Dams (DSOD), due to seismic stability concerns with the dam. Valley Water is undertaking the Project to address seismic stability deficiencies, rehabilitate aging appurtenant facilities, and to comply with current dam safety standards. The full reservoir capacity will be restored upon completion of the Project.

Amendment No. 3 extends the term of the Agreement by three years to allow sufficient time for the Consultant to perform Design Services for the Guadalupe Dam Seismic Retrofit Project. Work on the design has been on hold for the last 24 months due to delays to the resolution of Fish and Aquatic Habitat Collaborative Effort (FAHCE) issues which have a bearing on the preparation of the environmental documents for the Project. Design for this Project is expected to be completed by FY25, with construction anticipated to begin shortly thereafter.

**4. Amendment No. 1 to Agreement A4632A with CDM Smith, Inc. for Project Management Services for the Purified Water Project No. 91304001 (Administrative Updates) (V. Gin)**

Valley Water's Deputy Administrative Officer executed Amendment No. 1 to Agreement A4632A with CDM Smith, Inc. (Consultant) for Project Management Services for the Purified Water Project No. 91304001 (Project) on November 15, 2022, to incorporate modifications to Valley Water's Standard Terms and Conditions and to document adding two subconsultants authorized to work on the Project.

The Project objective is to increase water supply reliability and help avoid groundwater depletion by using highly treated recycled water (purified water) for groundwater

replenishment at the existing Los Gatos Recharge System in Campbell. The Project is being developed using the Public-Private Partnership (P3) project delivery method whereby the selected P3 entity will design, build, finance, operate, and maintain the facilities for thirty years. Valley Water maintains ownership of the Project facilities.

### ***Two Subconsultants added to the Agreement***

Pursuant to Amendment No. 1, Liquisti, LLC and Illuminati Infrastructure Advisors, LLC have been added to the list of subconsultants authorized to perform services on the Project. The principals of both firms have worked on the Project extensively since its early inception in 2015 and therefore have detailed knowledge of the Project's current status and history.

These two firms were previously subconsultants to the original program management firm, as shown in Agreement A3901G with HDR, Inc. On March 14, 2022, staff advised the CIP Committee that the scope of work included in the Agreement with HDR, Inc. was being amended and both of these subconsultants would be removed from the list of authorized firms. At that time, staff intended to award individual consultant agreements to each firm to allow them to continue providing additional program management resources and P3 expertise for the Project. Instead, for effective project management, they are being added to the new project management services Agreement with CDM Smith, Inc. with revised indemnification language pertaining to the two firms.

### ***Modified Terms and Conditions***

Amendment No. 1 provides that the Consultant is required to ensure its subconsultant agreements with these two firms obligates them to defend and indemnify Valley Water for any liability resulting from their work, and that the subconsultant agreements designate Valley Water as a third-party beneficiary of all provisions in those agreements. These revisions to the original Agreement with the Consultant make the subconsultant firms directly responsible for any issues related to their work.

### **ATTACHMENTS:**

None.

### **UNCLASSIFIED MANAGER:**

Chris Hakes, 408-630-3796

Emmanuel Aryee, 408-630-3074

Vincent Gin, 408-630-2633



# Santa Clara Valley Water District

**File No.:** 22-1250

**Agenda Date:** 12/12/2022

**Item No.:** 4.4.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

**SUBJECT:**

Review the Capital Improvement Program's Draft Preliminary Fiscal Year 2024-2028 Five-Year Plan.

**RECOMMENDATION:**

Review and discuss the Capital Improvement Program's Draft Preliminary Fiscal Year 2024-2028 Five-Year Plan and provide recommendations to staff as needed.

**SUMMARY:**

The Capital Improvement Program's (CIP) Five-Year Plan is updated each year to reflect major changes to Santa Clara Valley Water District's (Valley Water) capital projects in the planning, design and construction phases.

The purpose of this agenda item is for the CIP Committee to review and discuss the CIP's Draft Preliminary Fiscal Year 2024-2028 Five-Year Plan (FY 2024-28 Preliminary Five-Year Plan) (Attachment 1).

Included in the FY 2024-28 Preliminary Five-Year Plan and the corresponding financial analysis are the project plan updates from the Board adopted CIP's FY 2023-27 Five-Year Plan as presented to the CIP Committee on November 14, 2022 (Attachment 2). The TPC increases or decreases (with inflation) from the Board Adopted FY 2023-27 CIP by fund are as follows: Water Utility Enterprise Fund (Fund 61) increased by \$1.148B; Watersheds Stream Stewardship Fund (Fund 12) increased by \$6.325M; Safe, Clean Water and Natural Flood Protection Program Fund (Fund 26) increased by \$181.769M; Information Technology Fund (Fund 73) increased by \$432K; and General Fund (Fund 11) decreased by \$1.592M.

Following the CIP Committee's review, the CIP Evaluation Team (CEO, ACEO, Chiefs and Deputies of the divisions initiating, delivering, implementing, and operating capital projects) met to consider the CIP Committee's feedback and review the financial models to determine which, if any, unfunded projects should be recommended for inclusion in the CIP. To ensure Valley Water's high priority business needs are met in adherence to Board policy, the CIP Evaluation team reviews the projects based upon:

- Board Priorities
- Asset's remaining lifespan
- Available funding

- Urgency of investment

Based upon the outcome of its review, the CIP Evaluation Team provided recommendations regarding whether the newly proposed capital project should be funded in the FY 2024-28 Preliminary CIP, added to the unfunded list, or remain on the Initially Validated List for further analysis. Below is a table (Table 1) summarizing the outcome of the CIP Evaluation Team's review of the Initially Validated and Unfunded Project List.

**Table 1: CIP Evaluation Team Recommendations for FY 24 Initially Validated and Unfunded Projects**

Project Name	Total Project Cost (In \$ thousands)	Remaining Cost (FY24 to completion) (In \$ thousands)	Phase	CIP Evaluation Team Recommendations
<b>FY24 Validated Projects (as of 09/30/2022, Validation due date)</b>				
South Babb Flood Protection Project (Long Term project)	\$21.60M	\$21.60M	N/A	Recommended to <b>MOVE</b> to the unfunded list. Cost estimates will be further refined by staff.
<b>Proposed Changes to the Unfunded Project List for FY24-28 CIP</b>				
Long-Term Purified Water Program Elements	\$206.14M	\$206.14M	N/A	Recommended to <b>REMOVE</b> from the unfunded list - for Phase 2 Purified Water Program. Staff to re-evaluate the cost estimates and coordinate further with the City of San Jose to develop the project.
RWTP Ammonia Storage & Metering Facility Upgrade	\$6.2M	\$6.2M	N/A	Recommended to <b>MOVE</b> into the FY2024-28 CIP as a stand alone project. Upon completion of the RWTP Reliability Project Design Phase, staff will determine the timeline and implementation of the project.
<b>Total:</b>	<b>\$233.94</b>	<b>\$233.94</b>	<b>N/A</b>	

### ***Validated Project Recommended for Inclusion in FY 2024-28 CIP***

As a result of the CIP Evaluation Team's recommendations, the following project is recommended for inclusion in the FY 2024-28 Preliminary CIP:

### **93C40417 RWTP Ammonia Storage & Metering Facility Upgrade:**

The existing ammonia storage and metering facility (ASMF) at Rinconada Water Treatment Plant (RWTP) includes a single ammonia storage tank and four metering pumps and associated instrumentation and control equipment. It was installed in the mid-1990's as part of the Toxic Gas Ordinance Compliance Project (TGO), and the existing ammonia storage tank has a nominal capacity of 6,700 gallons for aqua ammonia (19% concentration). However, the condition of the existing tank lining is unknown and will be replaced with two (2) tanks for reliability and safety since it is a critical system for the Plant. The four existing metering pumps will be replaced with new ones, and three new feed lines will be installed from the existing ASMF to the new Raw Water (RW) influent pipelines (north and south) and to the new chlorine contact basin (CCB), respectively. The existing feed points to the clearwells and the BW supply line will be removed. The estimated project cost is \$6.20M and the project duration is expected to last five years.

### ***Validated Project Recommended for Addition to the Unfunded List***

During the CIP Evaluation Team's review on November 15, 2022, a newly validated project was submitted (see project summary below) and the team recommended that it be added to the Unfunded List for the FY 2024-28 Preliminary CIP.



**South Babb Flood Protection Project (Long Term):** Recent modeling indicates that there is significant spilling from culverts along South Babb Creek. These spills contribute to flooding of nearby areas, particularly between South Babb Creek, Lower Silver Creek, and Story Road. The recommended project improves the culverts at Lochner Drive, White Road, and Farrington Drive on South Babb Creek. While this will not eliminate all the spilling from South Babb Creek during the 100-year event, the majority of spills would be eliminated. In the hydraulic feasibility and preliminary constraints analysis report, a design was proposed where the Lochner Drive, White Road, and Farrington Drive culverts would be converted to voided slab bridges with a trapezoidal concrete channel underneath. A planning study would be required to evaluate other alternatives that would meet the same goal of reducing flooding risk to the area between South Babb Creek, Lower Silver Creek, and Story Road. Total project cost estimate = \$21.6 million and estimated project duration (all phases combined) = 5-6 years

### ***Validated Project Recommended for removal from the Unfunded List***

As a result of the CIP Evaluation Team's recommendations, the following project is recommended for removal from the Unfunded project List:

**Long-Term Purified Water Elements:** This unfunded project was created as a "placeholder" to categorize future planned funding for a Phase 2 to the Purified Water Project. Staff recommends removing this project from the Unfunded list to allow time to facilitate coordination with the City of San Jose to develop a project and develop an updated cost estimate.

### ***Funding Scenarios for Consideration***

The CIP Evaluation Team reviewed the fund models after inputting the project plan updates (Attachment 2). Based on the impact these changes had on the health of Funds 61, 12, and 26 and taking into consideration feedback received from the CIP Committee and the Board, the Team identified several scenarios for Board consideration.

In developing the scenarios the Team reviewed the Funding Filters for Prioritization Matrix (Attachment 3), a tool approved by the Board on September 27, 2022 to help inform the development of recommendations for Board consideration. Listed below are the recommended funding scenarios for CIP Committee review and Board decision:

#### **Fund 61 Scenarios**

- A. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan)
- B. Baseline with extended drought scenario
- C. Baseline with a range of assumptions for the Pacheco Reservoir Expansion Project
- D. Baseline with a range of assumptions for the Purified Water Program

## **Fund 12 Scenarios**

### **A. Staff Recommended Scenario**

- i. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan);
- ii. Palo Alto Flood Basin Tide Gates Replacement Project - On-hold Indefinitely (~\$75M); and
- iii. SF Bay Shoreline Phase One - shifted \$14M from FY24 to FY26.

## **Fund 26 Scenarios**

### **A. Staff Recommended Scenario**

- i. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan);
- ii. Higher FY24 Tax Growth (5% vs. 2%);
- iii. Higher NRCS Funding (to match project costs);
- iv. Place the Upper Penitencia Creek Flood Protection and Sunnyvale East/West Flood Protection Projects On-Hold and modify the project by reallocating the construction funding to Fund 26 reserves (Modify funding allocation);
- v. Not implement the D6.3 placeholder project (not implement project);
- vi. Select Almaden Lake Creek/Lake Separation Project to meet D4 KPI #1 (Planning/Design only); and
- vii. Select Ogier Ponds Creek Lake Separation Project to meet D4 KPI #2 and modify the KPI to partially fund construction of Ogier Ponds as the D4.2 Creek/Lake Separation Project (+\$25M) (Modify Key Performance Indicator (KPI)).

### **B. Alternative Scenario for Consideration**

- i. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan);
- ii. Higher FY24 Tax Growth (5% vs. 2%);
- iii. Higher NRCS Funding (to match project costs);
- iv. Adjust the construction schedule for the Coyote Creek Flood Protection Project (E1) to begin construction in FY33, following construction of the Anderson Dam Seismic Retrofit Project (Schedule Adjustment);
- v. Select Almaden Lake Creek/Lake Separation Project to meet D4 KPI #1 (Planning/Design only); and
- vi. Select Ogier Ponds Creek Lake Separation Project to meet D4 KPI #2 and modify the KPI to partially fund construction of Ogier Ponds as the D4.2 Creek/Lake Separation Project (+\$25M) (Modify KPI).

## ***New Pending Project Plan Updates/Project Plan Update Revisions to Funded Capital Projects***

Since the November 14 CIP Committee's review of the Significant Project Plan Updates item, there have been new project plan updates and revisions to project plan updates. The Change Management Memos documenting these changes are still pending and therefore the updated project information is not reflected in the FY 2024-28 Preliminary Five-Year Plan. A list of the projects with pending changes is provided below:

1. Anderson Dam Seismic Retrofit Project (91864005)
2. Anderson Dam Tunnel Project (91864006)
3. Coyote Creek Flood Management Measures Project (under ADSRP)(91864007)
4. Guadalupe Dam Seismic Retrofit Project (91894002)
5. RWTP Reliability Improvement Project (93294057)
6. Vasona Pump Station Upgrades Project (92264001)

### **Next Steps**

To receive the Board's feedback and direction, staff will present the Draft Five-Year Preliminary CIP and any CIP Committee recommendations to the Board for review and approval on January 10, 2023. To aid the community in its understanding and the Board in its review, staff plans to include a brief presentation providing additional detail for six (6) significant project plan updates (listed below).

- Anderson Dam Seismic Retrofit Project
- Pacheco Reservoir Expansion Project
- Rinconada Water Treatment Plant Reliability Improvement Project
- Purified Water Project
- Palo Alto Flood Basin Tide Gate Structure Replacement
- Coyote Creek Flood Protection Project - Montague to Tully

After receiving feedback from the Board regarding the Safe, Clean Water and Natural Flood Protection Program Fund 26 scenarios, staff will ask the Board to set the time and place for a public hearing to make any necessary modifications to the Program, per the Change Control Process.

Additionally, to ensure consistency with Valley Water's various planning efforts, CIP staff is coordinating with the staff leading development of the Water Supply Master Plan and Watersheds and Water Utility Operations and Maintenance Plans. If necessary, these plans will be updated to align with the FY 2024-28 CIP, as adopted by the Board.

### **ATTACHMENTS:**

Attachment 1: FY 2024-28 Preliminary Five-Year Plan

Attachment 2: Project Plan Updates from Adopted FY23-27 Five-Year Plan

Attachment 3: Funding Filters for Prioritization

Attachment 4: Draft Preliminary CIP PowerPoint

### **UNCLASSIFIED MANAGER:**

Luz Penilla, 408-630-2228

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## Water Supply Projects

Revenue Sources: Groundwater Charges

FY 2024 5-Year CIP Data

## PRELIMINARY CIP

FY 2024 5-Year CIP Data			A	B	A + B								
Project Category	Number	Project Name	Actual/ Appropriated thru FY23*	Remaining Cost to Completion	FY24 Plnd Expnd	FY24-38 Project Value	Change from FY23	Project Phase (FY24)	Funded By	Zone W-2 %	Zone W-5 %	Zone W-7 %	Zone W-8 %
Values last updated: 11-28-22 (All values are in thousands)													
Water Supply - Storage													
B	91854001	Almaden Dam Improvements	14,515	46,806	314	61,321	(3,393)	Design	W-2	100%			
A	91864005s	Anderson Dam Seismic Retrofit (C1)	391,119	1,004,882	202,526	1,396,001	159,866	Design	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
	91864005	Anderson Dam Seismic Retrofit (C1)	252,562	818,713	26,749	1,071,275	52,200	Design	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
	91864006	Anderson Dam Tunnel	102,110	94,094	93,608	196,204	34,851	Construction	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
	91864007	Coyote Creek Flood Management Measures	24,070	70,789	60,971	94,859	66,702	Construction	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
	91864008	Coyote Creek Chillers	599	8,665	8,654	9,264	2,987	Construction	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
	91864009	Coyote Percolation Dam Replacement	4,055	12,621	12,544	16,676	2,808	Construction	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
	91864010	Cross Valley Pipeline Extension	7,723	-	-	7,723	318	Construction	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
A	91084020s	Calero and Guadalupe Dams Seismic Retrofits	32,727	229,757	712	262,483	8,391	Plng/Des	W-2	100.0%			
	91084020	Calero and Guadalupe Dams Seismic Retrofits - Planni	10,787	3,282	105	14,068	468	Planning	W-2	100.0%			
	91874004	Calero Dam Seismic Retrofit - Design & Constuct	11,212	152,733	84	163,945	5,030	Design	W-2	100.0%			
	91894002	Guadalupe Dam Seismic Retrofit - Design & Construct	10,728	73,742	523	84,470	2,893	Design	W-2	100.0%			
B	91234002	Coyote Pumping Plant ASD Replacement	13,662	14,268	13,079	27,930	590	Planning	W-2	100.0%			
E	91234011	Coyote Warehouse	9,844	-	-	9,844	-	Closeout	W-2/W-5/W-7/W-8	76.9%	17.8%	5.0%	0.4%
A	91084019	Dam Seismic Stability Evaluation	22,779	9,082	418	31,861	919	Planning	W-2/W-5/W-7/W-8	42.9%	55.9%	0.0%	1.2%
E	91954002	Pacheco Reservoir Expansion Project (A1)	102,626	2,678,069	42,008	2,780,695	319,043	Plng/Des	W-2/W-5/W-7/W-8	83.7%	10.2%	6.1%	0.1%
B	91214010s	Small Capital Improvements, San Felipe Reach 1-3	6,181	68,682	2,154	74,863	(7,556)	Continuing	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
Subtotal:			593,453	4,051,546	261,211	4,644,998	477,860						

## Water Supply Projects

Revenue Sources: Groundwater Charges

FY 2024 5-Year CIP Data

## PRELIMINARY CIP

FY 2024 5-Year CIP Data			A	B	A + B								
Project Category	Number	Project Name	Actual/ Appropriated thru FY23*	Remaining Cost to Completion	FY24 Plnd Expnd	FY24-38 Project Value	Change from FY23	Project Phase (FY24)	Funded By	Zone W-2 %	Zone W-5 %	Zone W-7 %	Zone W-8 %
			Values last updated: 11-28-22 (All values are in thousands)										
Water Supply - Transmission													
B	95084002	10-Year Pipeline Rehabilitation (FY18-FY27)	104,781	50,159	27,291	154,940	14,887	Plng/Des/Const	W-2/W-5/W-7/W-8	96.3%	2.9%	0.8%	0.1%
B	92304001	Almaden Valley Pipeline Replacement Project	1,126	112,202	2,139	113,328	2,729	Planning	W-2	100.0%			
B	95044001	Distribution System Master Plan Implementation	5,970	2,812	1,933	8,782	(175)	Planning	W-2/W-5/W-7/W-8	84.6%	11.8%	3.3%	0.3%
C	92C40357	FAHCE Implementation	-	145,108	-	145,108	-	Planning	W-2/W-5/W-7	94.0%	2.6%	3.4%	0.0%
C	26764001	IRP2 Additional Line Valves (A3)	3,813	13,024	3,559	16,837	286	Design	SCW	100.0%			
E	92144001	Pacheco/Santa Clara Conduit Right of Way Acquisition	4,480	1,649	1,433	6,129	78	Design/Const	W-2/W-5/W-7	81.9%	7.9%	10.3%	0.0%
E	95044002	SCADA Master Plan Implementation	4,983	1,485	726	6,468	(2)	Design/Const	W-2/W-5/W-7/W-8	84.6%	11.8%	3.3%	0.3%
B	92764009	Small Capital Improvements, Raw Water Transmission	1,010	8,962	1,064	9,972	(2,976)	Continuing	W-2/W-5/W7/W-8	83.7%	10.2%	6.1%	0.1%
B	94764006	Small Capital Improvements, Treated Water Transmission	297	739	289	1,036	(164)	Continuing	W-2	100.0%			
B	94084007	Treated Water Isolation Valves	1,271	7,513	609	8,784	282	Design	W-2	100.0%			
B	92264001	Vasona Pump Station Upgrade	4,750	24,707	21,487	29,457	7,189	Planning	W-2	100.0%			
Subtotal:			132,481	368,360	60,530	500,841	22,134						

## Water Supply Projects

Revenue Sources: Groundwater Charges

FY 2024 5-Year CIP Data

## PRELIMINARY CIP

FY 2024 5-Year CIP Data

Project Category	Number	Project Name	A	B	A + B		Project Phase (FY24)	Funded By	Zone W-2 %	Zone W-5 %	Zone W-7 %	Zone W-8 %
			Actual/ Appropriated thru FY23*	Remaining Cost to Completion	FY24 Plnd Expnd	FY24-38 Project Value						
Values last updated: 11-28-22 (All values are in thousands)												
Water Supply - Treatment												
B	93234044	PWTP Residuals Management	4,133	39,997	1,488	44,130	1,086	Planning	W-2	100.0%		
B	93294051s	RWTP Residuals Remediation	74,052	706	706	74,758	(911)	Construction	W-2	100%		
B	93294057	RWTP Reliability Improvement	273,412	381,208	44,652	654,620	192,881	Construction	W-2	100%		
B	93764004	Small Capital Improvements, Water Treatment	4,509	37,620	7,712	42,129	(12,604)	Continuing	W-2	100%		
B	93284013	STWTP Filter Media Replacement Project	14,924	5,101	5,101	20,025	5,692	Planning	W-2	100%		
B	93084004	Water Treatment Plant Electrical Improvement Project	2,226	16,287	1,150	18,513	6,887	Planning	W-2	100%		
B	93044001	WTP Master Plan Implementation	5,401	3,879	3,060	9,280	(177)	Planning	W-2	100%		
Subtotal:			378,657	484,798	63,869	863,455	184,224					
Water Supply - Recycled Water												
E	91304001s	Expedited Purified Water Program (EPWP)	44,183	1,174,661	48,971	1,218,844	465,778	Planning	W-2	100%		
E	91094001	Land Rights - South County Recycled Water PL	3,807	3,010	3,010	6,817	(141)	Planning	W-5		100%	
E	91094007s	South County Recycled Water Pipeline	58,934	885	858	59,819	(27)	Des/Const	W-5		100%	
Subtotal:			106,924	1,178,556	52,839	1,285,480	465,610					
Water Supply Total:			1,211,515	6,083,260	438,448	7,294,774	1,149,828					

## Water Supply Projects

## Revenue Sources: Groundwater Charges

FY 2024 5-Year CIP Data

## PRELIMINARY CIP

FY 2024 5-Year CIP Data			A	B	A + B								
Project Category	Number	Project Name	Actual/	Remaining						Zone	Zone	Zone	Zone
			Appropriated	Cost to	FY24 Plnd	FY24-38	Change	Project Phase	Funded	W-2	W-5	W-7	W-8
			thru FY23*	Completion	Expnd	Project Value	from FY23	(FY24)	By	%	%	%	%
Values last updated: 11-28-22 (All values are in thousands)													

## Validated - Future Unfunded Projects

A,B	93C40417	RWTP Ammonia Storage & Metering Facility Upgrade	-	6,171	278	6,171			W-2	100%			
Validated - Unfunded Total:			-	6,171	278	6,171							

**Legend:**

Black	- Black Text: Continuing projects or projects carried forward from the FY23 CIP
Gray	- Gray Text: Individual projects considered part of a group or family of projects
Orange	- Orange Text: Projects to be completed or cancelled in FY 2023
Green	- Green Text: Projects in the Construction phase
Blue	- Blue Text: New projects proposed for the FY 24 CIP
*	- Column A: Actuals spent through prior year + planned expenditures in current year

**Project Driver:**

A. Regulatory requirements
B. Repair or replacement of aging infrastructure
C. District commitment (SCW, FAHCE)
D. Water Utility Master Plan "No Regrets"
E. Board Policy

**# of WS Projects**

3
17
2
-
7
29

**Funded by Legend:**

W-2	- North Zone; revenue is allocated based on % of benefit to the zone
W-5	- South Zone; revenue is allocated based on % of benefit to the zone
W-7	- South Zone; revenue is allocated based on % of benefit to the zone
W-8	- South Zone; revenue is allocated based on % of benefit to the zone
CSC	- funded by revenue from Clean Safe Creeks program
SCW	- funded by revenue from Safe Clean Water program
PT	- funded by revenue from Property Tax
Subvent	- funded by State Subventions



PRELIMINARY CIP

Flood Protection Projects

Revenue Sources: COP Proceeds, CSC Special Tax,  
Property Tax, Subventions

FY 2024 5-Year CIP Data

A B A + B  
Actual/ Remaining  
Appropriated Cost to FY24 Plnd  
thru FY23\* Completion Expnd  
FY23-37  
Project  
Value

Project Category	Number	Project Name	Actual/ Appropriated thru FY23*	Remaining Cost to Completion	FY24 Plnd Expnd	Change from FY23	Project Phase (FY24)	Funded By
Values last updated: 11-2822 (All values are in thousands)								

Lower Peninsula Watershed

B	10394001	Palo Alto Flood Basin Tide Gate Structure Improvements	7,094	76,197	3,687	83,291	43,957	Plan/Des	PT
C	10244001s	Permanente Creek, SF Bay to Foothill Expressway	115,224	502	481	115,726	2,602	Const/Closeout	PT/CSC
C	10284007s	San Francisquito Creek, SF Bay thru Searsville Dam (E5)	64,807	52,299	15,888	117,106	(2,349)	Des/Const	PT/CSC/SCW
Subtotal:			187,125	128,998	20,056	316,123	44,210		

West Valley Watershed

C	26074002	Sunnyvale East and West Channels (E2)	28,920	41,412	13,933	70,332	(51)	Design	CSC
Subtotal:			28,920	41,412	13,933	70,332	(51)		

Guadalupe Watershed

B	30154019	Guadalupe River Tasman Dr - I-880	5,613	97,448	1,568	103,061	3,891	Planning	PT
C	26154001s	Guadalupe River–Upper, I-280 to Blossom Hill Road (E8)	114,715	61,902	345	176,617	1,596	Des/Const	CSC/SCW
Subtotal:			120,328	159,350	1,913	279,678	5,487		

## Flood Protection Projects

Revenue Sources: COP Proceeds, CSC Special Tax,  
Property Tax, Subventions

FY 2024 5-Year CIP Data

## PRELIMINARY CIP

FY 2024 5-Year CIP Data									
Project Category	Number	Project Name	A	B		A + B	Change from FY23	Project Phase (FY24)	Funded By
			Actual/ Appropriated thru FY23*	Remaining Cost to Completion	FY24 Plnd Expnd	FY23-37 Project Value			
Values last updated: 11-2822 (All values are in thousands)									
Coyote Watershed									
C	26174041s	Berryessa Creek, Calaveras Boulevard to Interstate 680	41,799	12,612	12,612	54,411	382	Des/Const	CSC
E	40174004s	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd	134,458	35,080	345	169,538	(39,893)	Des/Const	PT
C	26174043	Coyote Creek, Montague Expressway to Tully Road (E1)	23,031	201,688	3,803	224,719	161,890	Plng/Des	CSC
E	40334005	Lower Penitencia Ck Improvements, Berryessa to Coyote Cks.	34,868	246	78	35,114	(11)	Des/Const	PT
E	40264007s	Lower Silver Creek, I-680 to Cunningham (Reach 4-6)	99,583	-	-	99,583	(1,967)	Closeout	Subvent
C	40324003s	Upper Penitencia Creek, Coyote Creek to Dorel Drive	18,969	16,434	1,892	35,403	2,580	Planning	PT/SCW
Subtotal:			352,708	266,060	18,730	618,768	122,981		
Uvas/Llagas Watershed									
B	50284010	Llagas Creek–Lower, Capacity Restoration, Buena Vista Road to Pajaro River	4,660	8,221	993	12,881	(834)	Design	Subvent
C	26174051s	Llagas Creek–Upper, Buena Vista Avenue to Llagas Road (E6)	218,245	121,114	41,994	339,359	7,576	Construction	CSC/SCW
Subtotal:			222,905	129,335	42,987	352,240	6,742		
Multiple Watershed									
C	00044026s	San Francisco Bay Shoreline (E7)	126,370	52,463	22,229	178,833	(794)	Construction	PT
	00044026	San Francisco Bay Shoreline	98,510	18,699	18,476	117,209	727	Des/Const	PT
	26444001	San Francisco Bay Shoreline - EIA 11 Design & Partial Construction (E7)	17,516	-	-	17,516	-	Des/Const	PT
	26444002	San Francisco Bay Shoreline - EIAs 1-4	7,405	22,442	2,708	29,847	(1,011)	Planning	PT
	26444004	San Francisco Bay Shoreline - EIAs 5-10	2,090	11,322	1,045	13,412	(510)	Planning	PT
B	62084001	Watersheds Asset Rehabilitation Program	57,014	119,900	8,387	176,914	2,902	Plng/Des/Const	PT
Subtotal:			183,384	172,363	30,616	355,747	2,108		
Flood Protection Total:			1,095,370	897,518	128,235	1,992,888	169,637		

## FY 2024 - 28 CIP

### Flood Protection Projects

Revenue Sources: COP Proceeds, CSC Special Tax,  
Property Tax, Subventions

FY 2024 5-Year CIP Data

## PRELIMINARY CIP

FY 2024 5-Year CIP Data			A	B	A + B				
Project Category	Number	Project Name	Actual/	Remaining	FY24 Plnd Expnd	FY23-37	Change from FY23	Project Phase (FY24)	Funded By
			Appropriated thru FY23*	Cost to Completion		Project Value			
			Values last updated: 11-2822 (All values are in thousands)						

### Validated - Future Unfunded Projects

401340XX	South Babb Flood Protection - Long Term	-	21,585	679	21,585				PT
Validated - Unfunded Total:		0	21,585	679	21,585				

### Legend:

- Black - Black Text: Continuing projects or projects carried forward from the FY23 CIP
- Gray - Gray Text: Individual projects considered part of a group or family of projects
- Orange - Orange Text: Projects to be completed or cancelled in FY 2023
- Green - Green Text: Projects in the Construction phase
- Blue - Blue Text: New projects proposed for the FY 24 CIP
- \* - Column A: Actuals spent through prior year + planned expenditures in current year

### Project Driver:

- A. Regulatory requirements
- B. Repair or replacement of aging infrastructure
- C. District commitment (SCW, FAHCE)
- D. Water Utility Master Plan "No Regrets"
- E. Board Policy

### # of FP Projects

-  
4  
9  
-  
3  

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16

### Funded by Legend:

- W-2 - North Zone; revenue is allocated based on % of benefit to the zone
- W-5 - South Zone; revenue is allocated based on % of benefit to the zone
- W-7 - South Zone; revenue is allocated based on % of benefit to the zone
- W-8 - South Zone; revenue is allocated based on % of benefit to the zone
- CSC - funded by revenue from Clean Safe Creeks program
- SCW - funded by revenue from Safe Clean Water program
- PT - funded by revenue from Property Tax
- Subvent - funded by State Subventions

# Water Resources Stewardship Projects

Revenue Sources: Groundwater Charges,  
Property Tax, Subventions

FY 2024 - 28 CIP

## PRELIMINARY CIP

FY 2024 5-Year CIP Data

FY 2024 5-Year CIP Data			A	B	A + B						Zone	Zone	
Project Category	Number	Project Name	Actual/	Remaining									
			Appropriated	Cost to	FY24 Plnd	FY24-38	Change	Project Phase	Funded	Zone	Zone		
			thru FY23*	Completion	Expnd	Project	from FY23	(FY24)	By	W-2	W-5		
Values last updated: 11-28-22 (All values are in thousands)													

### Mitigation (All Mitigation projects are required per CEQA or other Regulation and therefore do not receive a score)

None

Subtotal: -

### Environmental Enhancement & Stewardship

#### Lower Peninsula Watershed

C	00294001s	Stevens Creek Fish Passage Enhancement	850	18,585	-	19,435	551	FY25	W-2 (90%)/PT(10%)	100%
C	26164001	Hale Creek Enhancement Pilot Study (D6.1)	12,346	43	10	12,389	3,425	Closeout	CSC/SCW	

#### Guadalupe Watershed

C	26044001	Almaden Lake Improvements (D4.2)	9,935	53,215	2,719	63,150	5,419	Design	CSC/SCW	
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#### Coyote Watershed

E	00C40400s	Watershed Habitat Enhancement Design & Construction	-	66,734	-	66,734	491	FY25	TBD	
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#### Multiple Watersheds (Lower Peninsula, Guadalupe, Coyote, Uvas/Llagas)

C	20444001s	Calabazas/San Tomas Aquino Creek-Marsh Connection	9,326	6,718	1,394	16,044	3,315	Planning	PT/SCW	
C	26044002	SCW Fish Passage Improvements (D4.3; Evelyn, Singleton)	5,334	38	16	5,372	(952)	Const/Closeout	SCW	
C	26044004	Bolsa Road Fish Passage Improvement (D6.2)	1,941	7,385	7,240	9,326	2,806	Construction	SCW	
C	26C40370	SCW Implementation: Fish Passage Improvements (D4)	-	6,813	-	6,813	-	Planning	SCW	
C	26C40419	SCW Implementation: Restoration of Natural Creek Functions (D6.3)	-	6,096	-	6,096	(275)	Planning	SCW	
C	26044003	Ogier Ponds Separation from Coyote Creek (D4.1)	2,459	3,803	1,534	6,262	16	Planning	SCW	

Subtotal: 42,191 169,430 12,913 211,621 14,796

### Feasibility Studies

None

Subtotal:

Water Resources Stewardship Total: 42,191 169,430 12,913 211,621 11,060

## Water Resources Stewardship Projects

Revenue Sources: Groundwater Charges,  
Property Tax, Subventions

## PRELIMINARY CIP

FY 2024 5-Year CIP Data

FY 2024 5-Year CIP Data			A	B	A + B							
Project Category	Number	Project Name	Actual/	Remaining							Zone	Zone
			Appropriated	Cost to	FY24 Plnd	FY24-38	Change	Project Phase	Funded	W-2	W-5	
			thru FY23*	Completion	Expnd	Project Value	from FY23	(FY24)	By	%	%	
Values last updated: 11-28-22 (All values are in thousands)												

## Validated - Future Unfunded Projects

None

- - - -

Validated - Unfunded Total:

- - - -

**NOTES:**

- 1) Implementation of the Mitigation projects is considered non-discretionary since they are needed to meet California Environmental Quality Act (CEQA) or regulatory commitments. Therefore, a priority score is not required.
- 2) Environmental Enhancement projects are implemented at the discretion of the Board. Projects may go through a ranking process to compete for CSC funds or the board may direct that other available revenue be used to implement the proposed projects.

**Legend:**

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- Orange - Orange Text: Projects to be completed or cancelled in FY 2023
- Green - Green Text: Projects in the Construction phase
- Blue - Blue Text: New projects proposed for the FY 24 CIP
- \* - Column A: Actuals spent through prior year + planned expenditures in current year

**Project Driver:**

- A. Regulatory requirements
- B. Repair or replacement of aging infrastructure
- C. District commitment (SCW, FAHCE)
- D. Water Utility Master Plan "No Regrets"
- E. Board Policy

**# of WRS Projects**

-

-

9

-

1

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10

**Funded by Legend:**

- W-2 - North Zone; revenue is allocated based on % of benefit to the zone
- W-5 - South Zone; revenue is allocated based on % of benefit to the zone
- W-7 - South Zone; revenue is allocated based on % of benefit to the zone
- W-8 - South Zone; revenue is allocated based on % of benefit to the zone
- CSC - funded by revenue from Clean Safe Creeks program
- SCW - funded by revenue from Safe Clean Water program
- PT - funded by revenue from Property Tax
- Subvent - funded by State Subventions

**Buildings and Grounds Projects**

Revenue Source: Groundwater Charges,  
Property Tax

**PRELIMINARY CIP**

FY 2024 5-Year CIP Data

FY 2024 5-Year CIP Data			A	B	A + B				
Project Category	Number	Project Name	Actual/	Remaining		FY24-38		Project	
			Appropriated	Cost to	FY24 Plnd	Project	Change	Phase	Funded
			thru FY23*	Completion	Expnd	Value	from FY23	(FY24)	By
Values last updated: 11-28-22 (All values are in thousands)									
B	60204016	Facility Management, Small Capital Improvements	4,492	32,000	4,000	36,492	(3,508)	Continuing	PT/W-2/W-5
E	60204032	Headquarters Operations Building	720	15,691	1,986	16,411	1,283	Continuing	PT/W-2/W-5
B	60204022	Security Upgrades and Enhancements	314	16,890	314	17,204	634	Planning	PT/W-2/W-5
Buildings & Grounds Total:			5,526	64,581	6,300	70,107	(1,592)		

**Validated - Future Unfunded Projects**

None

**Validated - Unfunded Total:**

- - -  
- - -

**Legend:**

Black - Black Text: Continuing projects or projects carried forward from the FY23 CIP

Orange - Orange Text: Projects to be completed or cancelled in FY 2023

Green - Green Text: Projects in the Construction phase

Blue - Blue Text: New projects proposed for the FY 24 CIP

\* - Column A: Actuals spent through prior year + planned expenditures in current year

**Project Driver:**

A. Regulatory requirements

B. Repair or replacement of aging infrastructure

C. District commitment (SCW, FAHCE)

D. Water Utility Master Plan "No Regrets"

E. Board Policy

**# of B&G Project**

0

2

0

0

1

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 3
**Funded by Legend:**

W-2 - North Zone; revenue is allocated based on % of benefit to the zone

W-5 - South Zone; revenue is allocated based on % of benefit to the zone

W-7 - South Zone; revenue is allocated based on % of benefit to the zone

W-8 - South Zone; revenue is allocated based on % of benefit to the zone

WUE - funded by revenue from Water Utility Enterprise Fund

WSS - funded by revenue from Watershed and Stream Stewardship Fund

CSC - funded by revenue from Clean Safe Creeks program

SCW - funded by revenue from Safe Clean Water program

PT - funded by revenue from Property Tax

Subvent - funded by State Subventions

## Information Technology Projects

Revenue Source: Groundwater Charges,  
Property Tax

## PRELIMINARY CIP

FY 2024 5-Year CIP Data

Project Category	Number	Project Name	A	B	A + B		Change from FY23	Project Phase (FY24)	Funded By	WUE %	WSS %	SCW %
			Actual/ Appropriated thru FY23*	Remaining Cost to Completion	FY24 Plnd Expnd	FY24-38 Project Value						

Values last updated: 11-28-22 (All values are in thousands)

## FY 2023 - 2027 CIP

E	73274009	Data Consolidation	857	437	392	1,294	22	Construction	PT/W-2/W-5	65%	35%	0%
B, E	73274001	IT Disaster Recovery	2,601	45	45	2,646	41	Construction	PT/W-2/W-5	65%	35%	0%
B	73274002	ERP System Implementation	17,566	-	-	17,566	(55)	Closeout	PT/W-2/W-5	65%	35%	0%
B	73274012	Telephone System Voiceover IP	1,248	-	-	1,248	-	Closeout	PT/W-2/W-5	65%	35%	0%
B	73274008	Software Upgrades & Enhancements	5,634	8,778	1,322	14,412	424	Des/Const	PT/W-2/W-5	65%	35%	0%
B	95274003	WTP-WQL Network Equipment	3,487	9,537	587	13,024	1,769	Construction	PT/W-2/W-5	100%	0%	0%

Information Technology Total:	31,393	18,797	2,346	50,190	2,201
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## Validated - Future Unfunded Projects

None	-	-	-	-
Validated - Unfunded Total:	-	-	-	-

Legend:

- Black - Black Text: Continuing projects or projects carried forward from the FY 23 CIP  
 Orange - Orange Text: Projects to be completed or cancelled in FY 2023  
 Green - Green Text: Projects in the Construction phase  
 Blue - Blue Text: New projects proposed for the FY 24 CIP  
 \* - Column A: Actuals spent through prior year + planned expenditures in current year

Project Driver:

- A. Regulatory requirements  
 B. Repair or replacement of aging infrastructure  
 C. District commitment (SCW, FAHCE)  
 D. Water Utility Master Plan "No Regrets"  
 E. Board Policy

# of IT Projects

- 0  
 4  
 0  
 0  
 2

6

Information Technology Projects  
Revenue Source: Groundwater Charges,  
Property Tax

PRELIMINARY CIP

FY 2024 5-Year CIP Data

FY 2024 5-Year CIP Data			A	B	A + B							
Project Category	Number	Project Name	Actual/	Remaining		FY24-38						
			Appropriated	Cost to	FY24 Plnd	Project	Change	Project Phase	Funded	WUE	WSS	SCW
			thru FY23*	Completion	Expnd	Value	from FY23	(FY24)	By	%	%	%
Values last updated: 11-28-22 (All values are in thousands)												

Funded by Legend:

- W-2 - North Zone; revenue is allocated based on % of benefit to the zone
- W-5 - South Zone; revenue is allocated based on % of benefit to the zone
- W-7 - South Zone; revenue is allocated based on % of benefit to the zone
- W-8 - South Zone; revenue is allocated based on % of benefit to the zone
- WUE - funded by revenue from Water Utility Enterprise Fund
- WSS - funded by revenue from Watershed and Stream Stewardship Fund
- CSC - funded by revenue from Clean Safe Creeks program
- SCW - funded by revenue from Safe Clean Water program
- PT - funded by revenue from Property Tax
- Subvent - funded by State Subventions

CIP GRAND TOTAL:

2,385,995	7,233,585	588,242	9,619,580	1,331,135
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PROJECT DRIVER TOTALS:

A	B	C	D	E
3	27	20	-	14



## **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 incorporating cost associated with the anticipated maximum AWPF production flowrate rate of 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.

# Board Approved Funding Filters (September 27, 2022 Board Meeting)

## Funding Filters for Prioritization:

1. Repair/Replace Existing Infrastructure Projects
2. Public Health and Safety Projects
3. Shovel Ready (Permits and Land Rights Secured) Projects
4. Multi-Benefit Projects
  - a. Environmental Justice Benefit Projects
5. Partially External-Funded (Grants and Partnerships) Projects

# Staff Assumptions and Analysis

## Key Assumptions:

1. All Valley Water Capital Projects are important to delivering our mission
2. Certain projects are mandated (e.g. Anderson Dam Seismic Retrofit Project) and are therefor exempt from the analysis
3. Funding constraints necessitate that we prioritize our projects to ensure the fiscal health of our funds



## FUNDING FILTERS FOR PRIORITIZATION

### Water Utility Enterprise Fund (Fund 61)

			SCHEDULE	Project Categories										Notes/Justification	
PROGR.	FUND	PROJ NO. PROJECT NAME	FY to Construction	Results:											
				YES	NO	Repair/Replace Existing Infrastructure	Public Health and Safety	Show Ready (Permits and Land Rights Secured)	Multi-Benefit Project	Multi-Benefit Project: Environmental Justice Benefit	Partially External-Funded (Grants and Partnerships)				
WS-Treatment	61	93294057 RWTP Reliability Improvement	Phases 3-6, FY23	4	2	Y	Y	Y	Y	N	N	Project is repairing and replacing existing treatment plant infrastructure. Project will ensure the Public receives a reliable supply of safe, clean water. Multi-Benefit because the project conducts maintenance on existing infrastructure and provides public health and safety and will increase the plants capacity from 80 to 100MGD (increase of approx. 25%). Project is ready to bid in FY23. Project seeking grant funding.			
WR-Coyote	61	95C40400 Project 1 Design & Construction (e.g. Metcalf Ponds)	FY27	3	3	Y	Y	N	Y	N	N	Name change: Coyote Percolation Dam Fish Passage Phase 2 (per L.Benefit)			
WS-Storage	61	91854001 Almaden Dam Improvements	canal FY26, dam FY30	3	3	Y	Y	N	Y	N	N	Repair/Replace Existing Infrastructure - Improvements at the Almaden Dam include construction of a new intake structure and the modifications to the spillway and the rehabilitation and repair of the 4.5-mile-long Almaden-Calero Canal. Public Health and Safety - A failure of either the intake structure or the spillway could cause a risk to the Dam and place downstream communities in danger. Multi-Benefit Project - The Almaden Dam creates a reservoir with capacity of about 1,586 acre-feet and impounds water in the reservoir for conservation, ground water recharge, flood protection, environmental flows, and recreation. Multi-Benefit Project: Environmental Justice Benefit - The project will provide health and safety benefits to all communities downstream of the dam equally.			
WS-Storage	61	91894002 Guadalupe Dam Seismic Retrofit - Design & Construct	FY25	3	3	Y	Y	N	Y	N	N	Repair/Replace Existing Infrastructure - The project will remediate serious seismic deficiencies in Guadalupe Dam including stabilizing the embankment, replacing the intake structure, replacing the spillway, and building new outlet works. Public Health and Safety - A failure of the dam during an earthquake will cause downstream communities to be flooded with serious life and property damages. Multi-Benefit Project -The Guadalupe Dam creates a reservoir with capacity of about 3,564 acre-feet and impounds water in the reservoir for storing natural watershed runoff, replenishing downstream wells by ground water recharge, and providing recreation and environmental flows, and incidental flood control. Multi-Benefit Project: Environmental Justice Benefit - The project will provide health and safety benefits to all communities downstream of the dam equally.			
WS-Storage	61	91874004 Calero Dam Seismic Retrofit - Design & Construct	FY32	3	3	Y	Y	N	Y	N	N	Repair/Replace Existing Infrastructure - The project will remediate serious seismic deficiencies in Calero Dam including stabilizing the embankment, replacing the intake structure, replacing the spillway, and building new outlet works. Public Health and Safety - A failure of the dam during an earthquake will cause downstream communities to be flooded with serious life and property damages. Multi-Benefit Project - The Calero Dam creates a reservoir with capacity of about 9,934 acre-feet. The District uses Calero Reservoir to store natural watershed runoff, replenish downstream wells by ground water recharge, provide flood control, and provide recreation and environmental flows. Controlled releases from Calero Reservoir also provide raw water for treatment at the District's Riconrada or Santa Teresa water treatment plants. Storage in Calero Reservoir also serves as the emergency backup to the District's imported water supplies. Multi-Benefit Project: Environmental Justice Benefit - The project will provide health and safety benefits to all communities downstream of the dam equally.			
WS-Storage	61	91234002 Coyote Pumping Plant ASD Replacement	FY24	3	3	Y	Y	N	Y	N	N	Project proposes to replace and/or rehabilitate existing ASDs and associated mechanical, electrical, and control equipment at the CPP. Project within the existing footprint of CPP property. Project transitioning from planning into design-build Phase 1 (i.e., design and pre-construction). Multi-Benefit because the project conducts maintenance on existing infrastructure and provides public health and safety.			
WS-Transmission	61	92144001 Pacheco/Santa Clara Conduit Right of Way Acquisition	FY23-FY24	3	3	Y	Y	N	Y	N	N	Land rights needed for maintenance on the existing San Felipe System (Pacheco Conduit and Santa Clara Conduit). Multi-Benefit updated to "Y" access required to maintain our PL is a Public Safety issue.			
WS-Storage	61	91954002 Pacheco Reservoir Expansion Project (A1)	FY28	3	3	N	Y	N	Y	N	Y	Public Health & Safety: The project will boost Pacheco Reservoir's operational capacity from 5,500 acre-feet to up to 140,000 acre-feet, enough to supply up to 1.4 million residents with water for one year in an emergency. The project will also reduce the frequency and severity of water shortages during droughts, protect our drinking water supply and infrastructure, and improve fish habitat. Multi-Benefit Project: Increase suitable habitat in Pacheco Creek for federally threatened steelhead. Develop water supplies for environmental water management that support habitat management and other environmental water needs. Partial External - Funded (Grants & Partnerships): California Water Commission Prop 1 Water Storage Investment Program (WSIP) Grant in amount of \$504 was awarded to Project. Valley Water applied for a Water Infrastructure Finance and Innovation Act (WIFIA) loan, a low-cost federal loan from the EPA. Valley Water is also working with Reclamation to acquire WINNACT funding. Valley Water has partnered with the San Benito County Water District, and the Pacheco Pass Water District, as strategic and long-term investment toward ensuring a more reliable supply of safe, clean drinking water in the face of climate change. Other partnerships are currently being evaluated.			
WS-Recycled Wtr	61	91304001 Purified Water Program (PWP)	FY25	3	3	N	Y	N	Y	N	Y	Project will provide drought resilient water supplies for the county leading up to an additional 12,000 acre-feet per year of local supply by 2028. Project decreases reliance on imported and locally stored water by providing a safe and reliable supply to augment existing groundwater levels and reduce the risk of subsidence from over-pumping. Project will be delivered via Public-Private-Partnership (P3) and financed by both the P3 entity and external funding from the US EPA WIFIA and the USBR Title 16 grant program.			
WS-Transmission	61	92304001 Almaden Valley Pipeline Replacement Project	FY29	2	4	Y	Y	N	N	N	N	Rehabilitate PCCP pipeline segments that are most high risk for failure.			
WS-Transmission	61	94084007 Treated Water Isolation Valves	FY25-26, FY28	2	4	Y	Y	N	N	N	N	Valves to be constructed have been identified as recommended projects under the "Infrastructure Reliability Plan." There are three valves that will be constructed in three phases with their respective pipeline shutdowns.			
WS-Treatment	61	93234044 PWTP Residuals Management Project	FY25	2	4	Y	Y	N	N	N	N	Project proposes to replace and/or rehabilitate existing WTP residual management (i.e. wastewater handling and solids production) facilities. Project within the existing footprint of WTP property. Project transitioning into 30% design phase.			
WS-Treatment	61	93084004 Water Treatment Plant Electrical Improvement Project	FY25	2	4	Y	Y	N	N	N	N	Construction phase is proposed to start in FY25. In early FY23, Asset Management Unit submitted a scope change request to add MCC-DP1 and MCC-DP2 to the scope of work of the project. A feasibility and potential consequence study were conducted to determine the adoption of this change into the project. These delays caused the project schedule to start construction in FY 25. The project conducts maintenance on existing infrastructure, enhances electrical system reliability, and increases electrical system back-up power capacity in responses to electrical power shutoff safety events for improved public health and safety.			

## FUNDING FILTERS FOR PRIORITIZATION

### Watersheds Stream Stewardship Fund (Fund 12)

			Project Categories											
PROGR.	FUND	PROJ NO.	PROJECT NAME	FY to Construction								Notes/Justification		
Results:					Repair/Replace Existing Infrastructure	Public Health and Safety	Shovel Ready (Permits and Land Rights Secured)	Multi-Benefit Project	Multi-Benefit Project: Environmental Justice Benefit	Partially External-Funded (Grants and Partnerships)				
YES					NO									
WR-MultiWS	12	20444001	Calabazas/San Tomas Aquino Creek Marsh Connection		4	2	Y	Y	N	Y	N	Y	Multi-benefit project would restore 1800+ acres of tidal marsh and wetlands habitat, provide resilient flood protection, improve water quality at A8 Ponds and Pond A4 ( owned by USFWS and VW, respectively), increase public access, and provide benefits to underserved community of Alviso. Project would also reconstruct and realign the failing lower STA Creek flood protection channel and enable improved operation of Pond A4, reducing O&M costs.	
FP-Lower Peninsula	12	10394001	Palo Alto Flood Basin Tide Gate Structure Improvements	FY24	4	2	Y	N	Y	Y	N	Y	Multiple Benefits as follows: 1) Continued recreational use of the tide gate structure & SF Bay Trail. 2) Continued fluvial flood protection provided by the tide gate structure. 3) Continued costal flood protection provided by the tide gate structure. 4) Prevent inundation of Palo Alto Flood Basin habitat which would result if existing tide gate structure were to fail. Working on cost share agreement with City of Mountain View and City of Palo Alto.	
FP-Lower Peninsula	12	10244001	Permanente Creek, SF Bay to Foothill Expressway	FY23	3	3	Y	N	Y	Y	N	N	Project retrofits the floodwall footings. Project designed to not require environmental permits and right of way is not an issue. Project will allow VW to complete FEMA LOMR application to remove parcels from existing floodplain maps.	
FP-Guadalupe	12	30154019	Guadalupe River Tasman Dr - I-880	FY26	2	4	Y	Y	N	N	N	N	This is a repair of an existing flood risk reduction project that has a reduced level of service. This project affects public health and safety because Valley Water has committed to provide one percent annual chance of exceedence flood protection. Failure to do so would threaten safety and health of the public that relies on the protection this project provides.	
FP-Uvas/Llagas	12	50284010	Llagas Creek--Lower, Capacity Restoration, Buena Vista Road to Pajaro River	FY25	4	2	Y	Y	N	Y	Y	N	Repair/Replace Existing Infrastructure: Existing infrastructure, such as existing levees, bridge overcrossings, and storm drain outfalls, etc. Public Health and Safety: The portion of completed Project, adjacent to the South County Wastewater Treatment Plant will provide 100-year level of flood protection. Multi-Benefit Project: Flood protection and provides beneficial uses to wildlife while enhancing habitat. Multi-Benefit Project: Environmental Justice Benefit: The Project will benefit south Santa Clara County which includes several disadvantage communities.	
FP-Multi	12	62084001	Watersheds Asset Rehabilitation Program (WARP)	ongoing	2	0	Y	Y	N/A	N/A	N/A	N/A	Projects under this Program are maintenance projects to maintain the level of service of the assets. Most of the Projects are implemented within VW's R/W using the Stream Maintenance Program permits. Typically, they are multi-beneficiary such as non-native vegetation removal or concrete removal. Some of the Projects have cost share Agreements with the Cities and other grants.	

## FUNDING FILTERS FOR PRIORITIZATION

### Safe, Clean Water and Natural Flood Protection Program Fund (Fund 26)

			SCHEDULE	Project Categories																	
PROGR.	FUND	PROJ NO.	PROJECT NAME	FY to Construction												Notes/Justification					
Results:					Repair/Replace Existing Infrastructure							Public Health and Safety		Shovel Ready (Permits and Land Rights Secured)		Multi-Benefit Project		Multi-Benefit Project: Environmental Justice Benefit		Partially External-Funded (Grants and Partnerships)	
YES					NO																
FP-Uvas/Llagas	26	26174055	Llagas Creek--Upper, Corps Coordination (E6b)	N/A, ongoing Phase 2B in FY24	6	0	Y	Y	Y	Y	Y	Y	Y	Repair/Replace Existing Infrastructure: Existing infrastructure, such as existing box culvert & bridge overcrossings, bridge headwalls, etc. Public Health and Safety: The completed Project will provide 100-year level of flood protection. Shovel Ready: Permits have been obtained for all Project Construction Phases: Multi-Benefit Project: Flood protection, reduces erosion resulting in sediment reduction to the Monterey Bay, provides beneficial uses to wildlife while enhancing habitat, supports public open space/recreation opportunities. Multi-Benefit Project: Environmental Justice Benefit: The Project will benefit south Santa Clara County which includes several disadvantage communities. Partially External-Funded: Cost Share Agreements with City of Morgan Hill, NRCS Grant funding pending.							
FP-Lower Peninsula	26	26284002	San Francisquito Creek - Construction, SF Bay to Middlefield Road (E5)	In-channel & TOB FY24, Pope-Chaucer FY25	5	1	Y	Y	N	Y	Y	Y	Project replaces two bridges, retrofits/replaces existing floodwalls, and constructs some new walls. Project will provide flood protection, ecosystem protection/improvement, and recreational benefits to surrounding communities. Project will be funded by federal and state grants, such as FEMA, USACE, CalTrans, and Prop 1 grants.								
	26	26174043	Coyote Creek, Montague Expressway to Tully Road (E1)	FY24	4	2	N	Y	N	Y	Y	Y	After the 2017 storm and flooding along Coyote Creek, an interim floodwall and berm were constructed in the Rocksprings neighborhood. The Coyote Creek Flood Protection Project will replace the temporary flood measures. There is no existing infrastructure to protect the communities from the expected Anderson Dam outlet flows. Coyote Creek Flood Protection Project provides public health and safety by reducing flood risks along the creek to residences, schools and businesses. The Project also provides protection for the outlet flows of the Stage 2 outlet construction at Anderson Dam. The Project will provide protection to several Disadvantaged Communities in Reaches 6 & 8, and Severely Disadvantage Communities in Reach 8. The Project was part of the NOI for the EPA WIFIA loan and is looking to be submitted as part of the NOI for FEMA's BRIC grant.								
FP-West Valley	26	26074002	Sunnyvale East and West Channels (E2)	FY24	4	2	Y	Y	N	Y	N	Y	Repair/Replace Existing Infrastructure: Existing infrastructure, such as existing box culvert & bridge overcrossings, bridge headwall, etc. Public Health and Safety: The completed Project will provide 100-year level of flood protection. Multi-Benefit Project: Flood protection, reduces erosion resulting in sediment reduction to the SF Bay, supports recreation opportunities. Partially External-Funded: Cost Share Agreements with Google/City of Sunnyvale, and a WIFIA loan pending.								
FP-Guadalupe	26	26154003	Guadalupe Rv--Upper, SPRR-Blossom Hill (Rch 7-12) (E8)	FY26	5	1	Y	Y	N	Y	Y	Y	Several bridges will be replaced; project has benefits for aquatic habitat, added riparian habitat, and recreational improvements for city trails; will reduce flood risk within disadvantaged communities; project will be partially funding by US Army Corps of Engineers.								
FP-Coyote	26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	FY26	4	2	Y	Y	N	Y	Y	N	Waiting for VW Upper Management Direction Regarding Design phase.								
WS-Transmission	26	26764001	IRP2 Additional Line Valves (A3)	FY23-FY27	3	3	Y	Y	Y	N	N	N	Valves to be constructed have been identified as recommended projects under the "Infrastructure Reliability Plan." There are four valves that will be constructed in four phases with their respective pipeline shutdowns. Valve to be constructed on the Snell Pipeline is shovel ready and is scheduled to begin construction in FY23.								
FP-Multi	26	26444002	San Francisco Bay Shoreline - EIAs 1-4	FY26	3	3	N	Y	N	Y	N	Y	Multiple benefits as follows: 1) Coastal flood risk management. 2) Ecosystem restoration. Feasibility study cost share agreement with USACE as lead agency and Valley Water and Coastal Conservancy as non-federal sponsors. Waiting for CORP to give further implemenation guidance								
WR-MultiWS	26	26C40370	SCW Implementation: Fish Passage Improvements (D4)	FY28	1	5	Y	N	N	N	N	N	Use \$6.7M by FY2026 for fish passage improvements (likely to be Moffett Fish Ladder fix)								
WR-Guadalupe	26	26044001	Almaden Lake Improvements (D4.2)	FY25	1	5	N	N	N	Y	N	N	Multiple benefits are: 1) Improve creek water quality and reduce creek water temperatures by removing the artificial connection between Alamilos Creek and the lake. 2) Reduce production of methylmercury, and mercury in target fish in Almaden Lake to meet applicable water quality objectives. 3) Improve anadromous fish passage and riverine habitat. 4) Reduce non-native fish predation.								

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# Capital Improvement Program's (CIP) Draft-Preliminary FY 2024-28 Five-Year Plan

Presented to the CIP Committee by: Jessica Collins, Business Planning and Analysis UM  
December 12, 2022



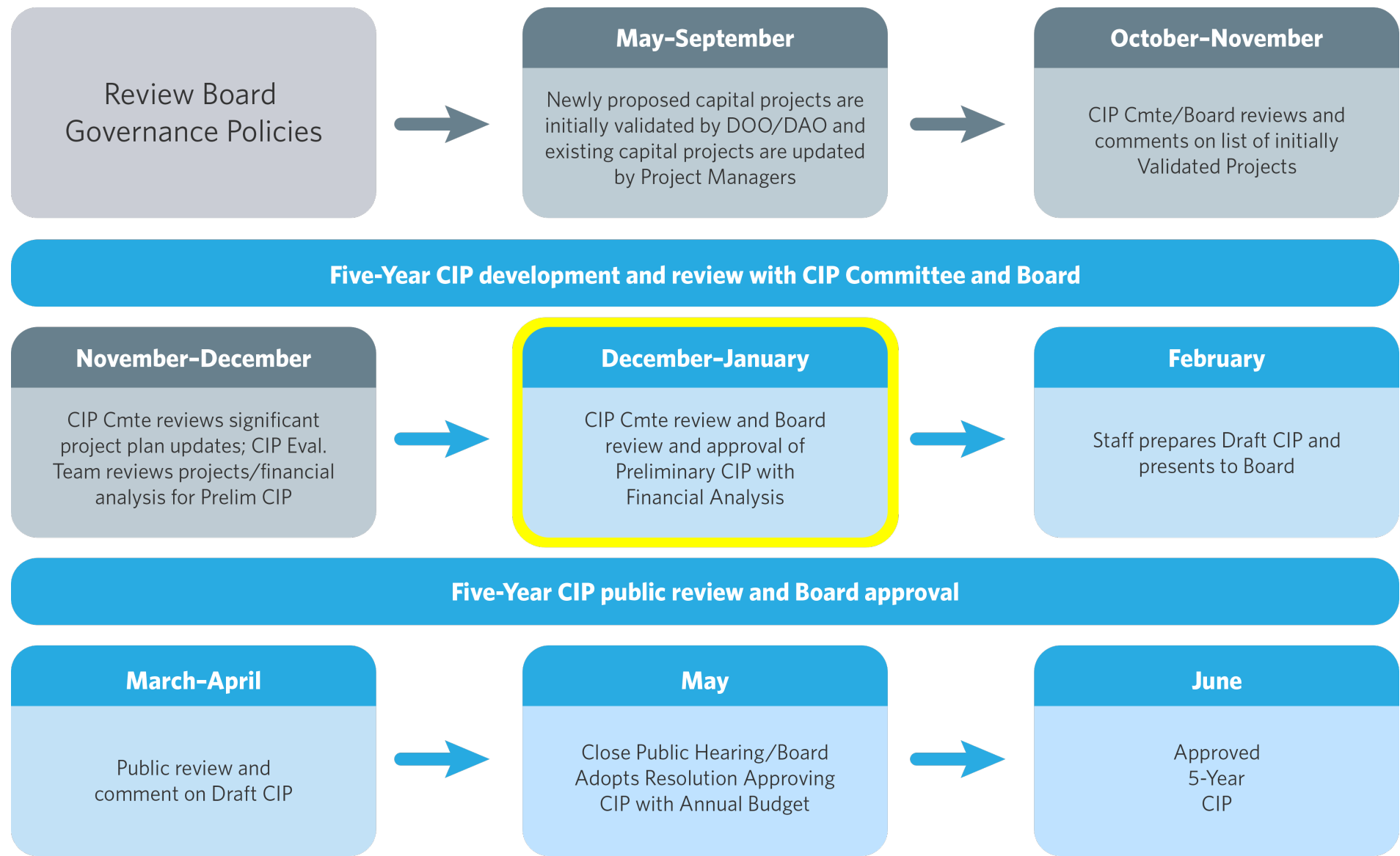
# Presentation Outline

## Development of Preliminary FY 2024-28 CIP

1. Annual CIP Process
2. Project Plan Update Summary
3. Fund Impacts
4. CIP Evaluation Team Recommendations
5. Next Steps



# Annual CIP Process Overview



# Project Plan Updates from Board Adopted FY 23-27 CIP

4

## 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 **\$1.148B**;
- Watersheds Stream Stewardship Fund (**Fund 12**) **increased** by **\$6.325M**;
- Safe, Clean Water and Natural Flood Protection Program Fund (**Fund 26**) **increased** by **\$181.769M**;
- Information Technology Fund (**Fund 73**) **increased** by **\$432K**; and
- General Fund (**Fund 11**) **decreased** by **\$1.592M**.

# Overview of Largest/Most Impactful Project Plan Updates

## Fund 61:

- 91864005s Anderson Dam Seismic Retrofit (all projects combined): SCHEDULE (COMPLETION DATE) AND COST – inflated TPC increased by \$159.856M
  - 91864005 Anderson Dam Seismic Retrofit Project (ADSRP): SCOPE, SCHEDULE (PHASE ONLY), AND COST  
Inflated TPC increased by \$52.216M
  - 91864006 Anderson Dam Tunnel Project: SCHEDULE (COMPLETION DATE) AND COST Project schedule added to project plan/Inflated TPC increased by \$34.824M
  - 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
  - 91864008 Coyote Creek Chillers Project: SCHEDULE (COMPLETION DATE) AND COST Project schedule extended by 1 year and 4 months/ Inflated TPC increased by \$2.987M
  - 91864009 Coyote Percolation Dam Replacement Project (CPDRP): SCHEDULE (COMPLETION DATE) AND COST  
Project schedule extended by 6 months/ Inflated TPC increased by \$2.808M
  - 91864010 Cross Valley Pipeline Extension Project (CVPEP): SCHEDULE (COMPLETION DATE) AND COST  
Project schedule extended by 3 months/ Inflated TPC increased by \$318K

# Overview of Largest/Most Impactful Project Plan Updates

## Fund 61 cont.:

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

# Overview of Largest/Most Impactful Project Plan Updates

## Fund 12:

- 10394001 Palo Alto Flood Basin Tide Gate Structure Replacement: SCHEDULE (COMPLETION DATE) AND COST  
Schedule extended by ~6 years (includes a 5-year plant establishment maintenance period in compliance with project regulatory permits) /Inflated TPC increased by \$43.957M

## Fund 26:

- 26174043 Coyote Creek, Montague Expressway to Tully Road (E1): SCHEDULE (PHASE ONLY) AND COST  
Inflated TPC increased by \$161.890M

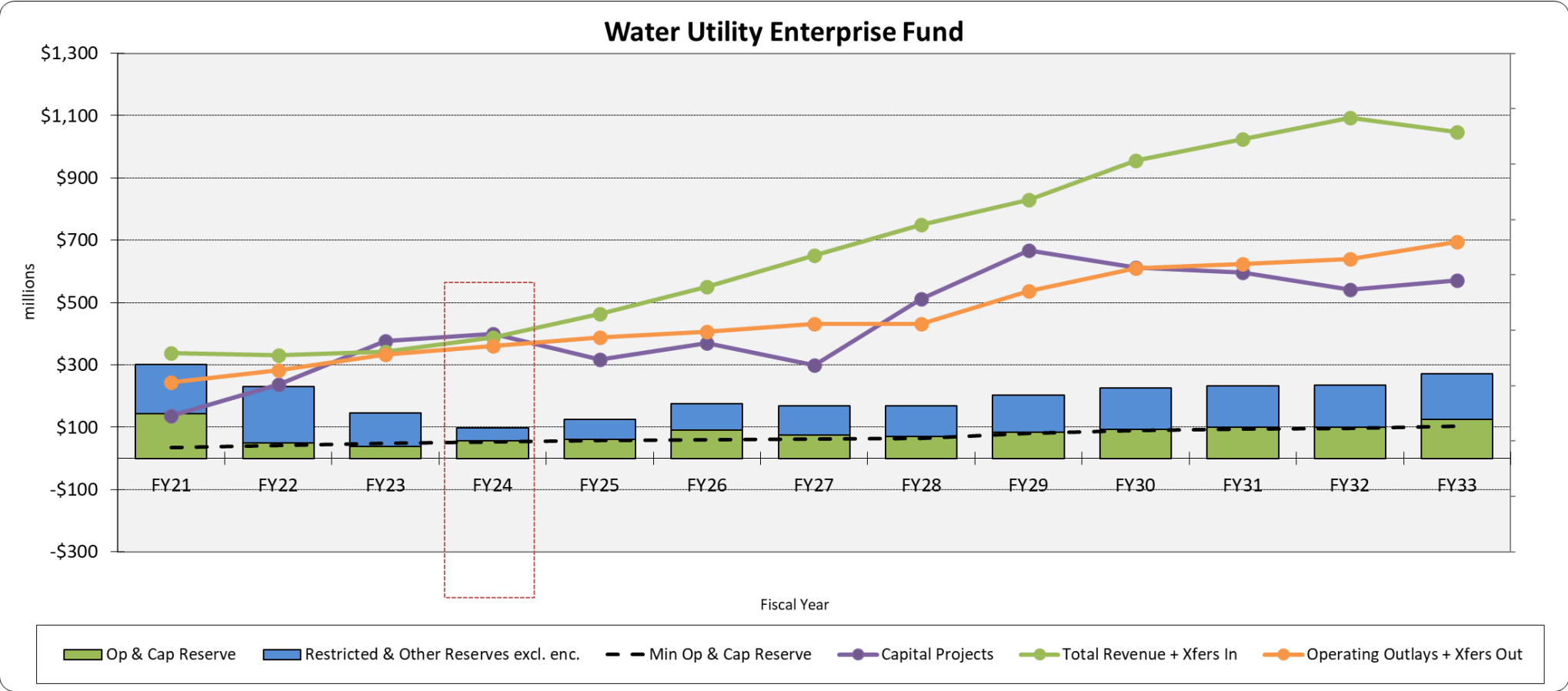
# New Pending Project Plan Updates/Project Plan Update Revisions

Since the November 14 CIP Committee's review of the Significant Project Plan Updates item, there have been new project plan updates and revisions to project plan updates, to projects which are also reflected in the FY 2024-28 Preliminary CIP and summarized below:

1. Anderson Dam Seismic 91864005
2. Anderson Dam Tunnel 91864006
3. Guadalupe Dam Seismic 91894002
4. RWTP Reliability 93294057
5. Vasona Pump Station Upgrade 92264001
6. Coyote Creek (under ADSRP) 91864007

*(**NOTE:** The pending changes have not been finalized and therefore are not incorporated into the Draft-Preliminary FY 2024-28 Five-Year Plan or fund analysis. However, initial analysis indicates these changes will not impact the recommendations put forward for consideration and feedback. The changes will be incorporated for the January 10, 2023, Board Meeting.)*

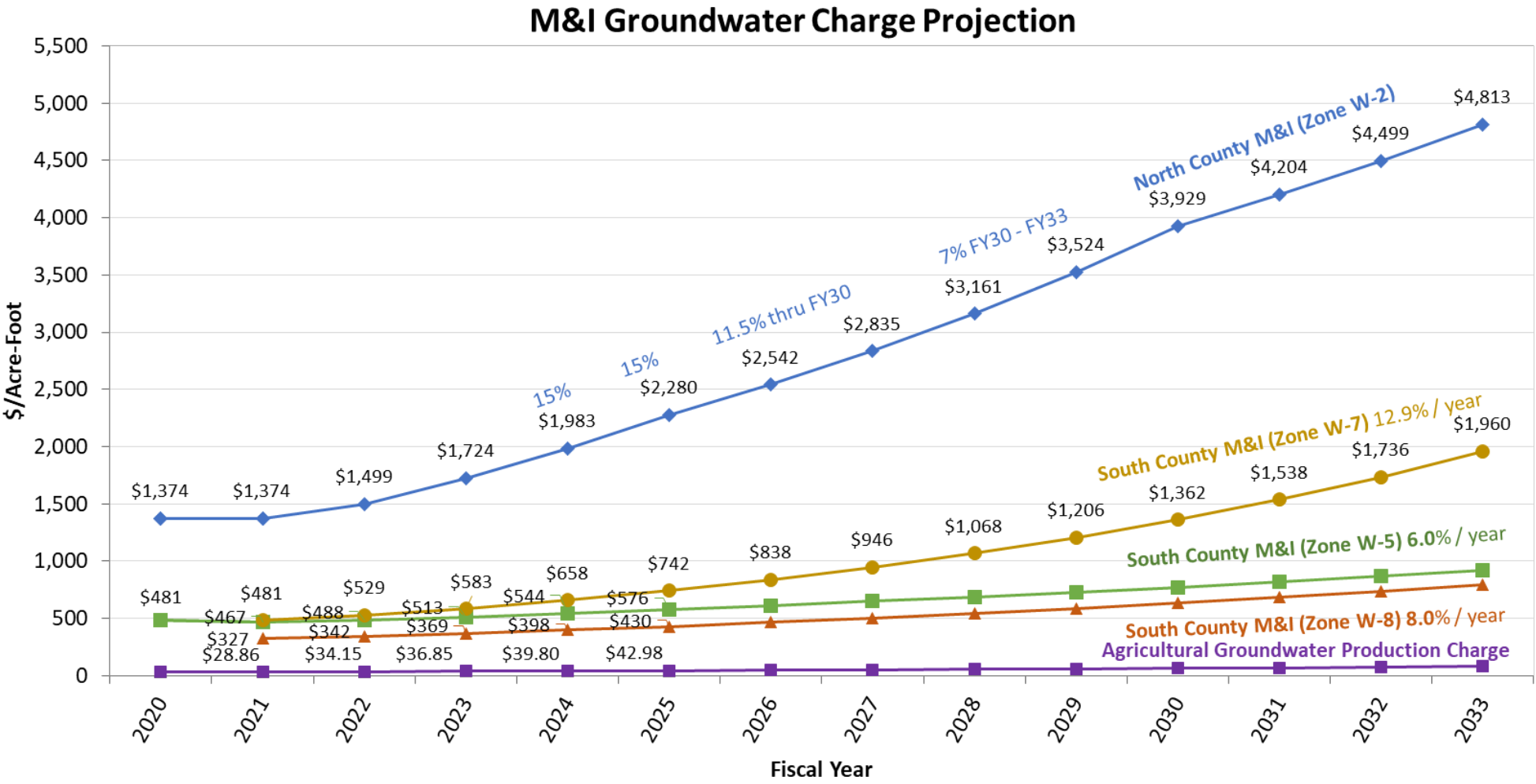
# Water Utility Fund 61 – Baseline Case



**Includes:**

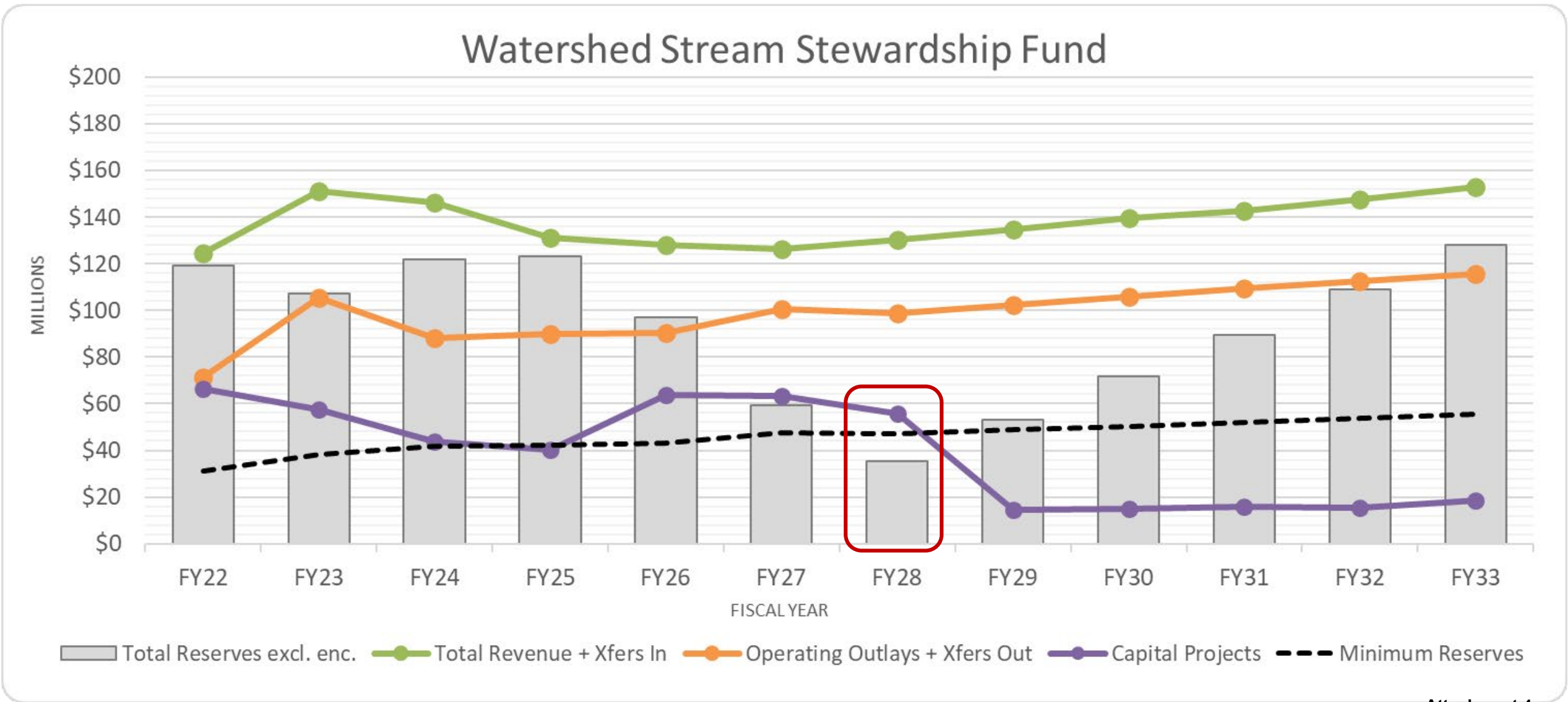
- Ongoing drought-related Emergency Water Supply Purchases
- Pacheco Reservoir w/ 35% Partnerships & WIFIA loans
- Anderson Dam with WIFIA loans
- Delta Conveyance at 3.23% participation
- Purified Water Expansion via P3
- Transfer Bethany Pipeline with 30 kAF Storage
- Slight rebound to drought with 205 kAF water usage in FY24

# Water Utility Fund 61 – Baseline Rate Projections



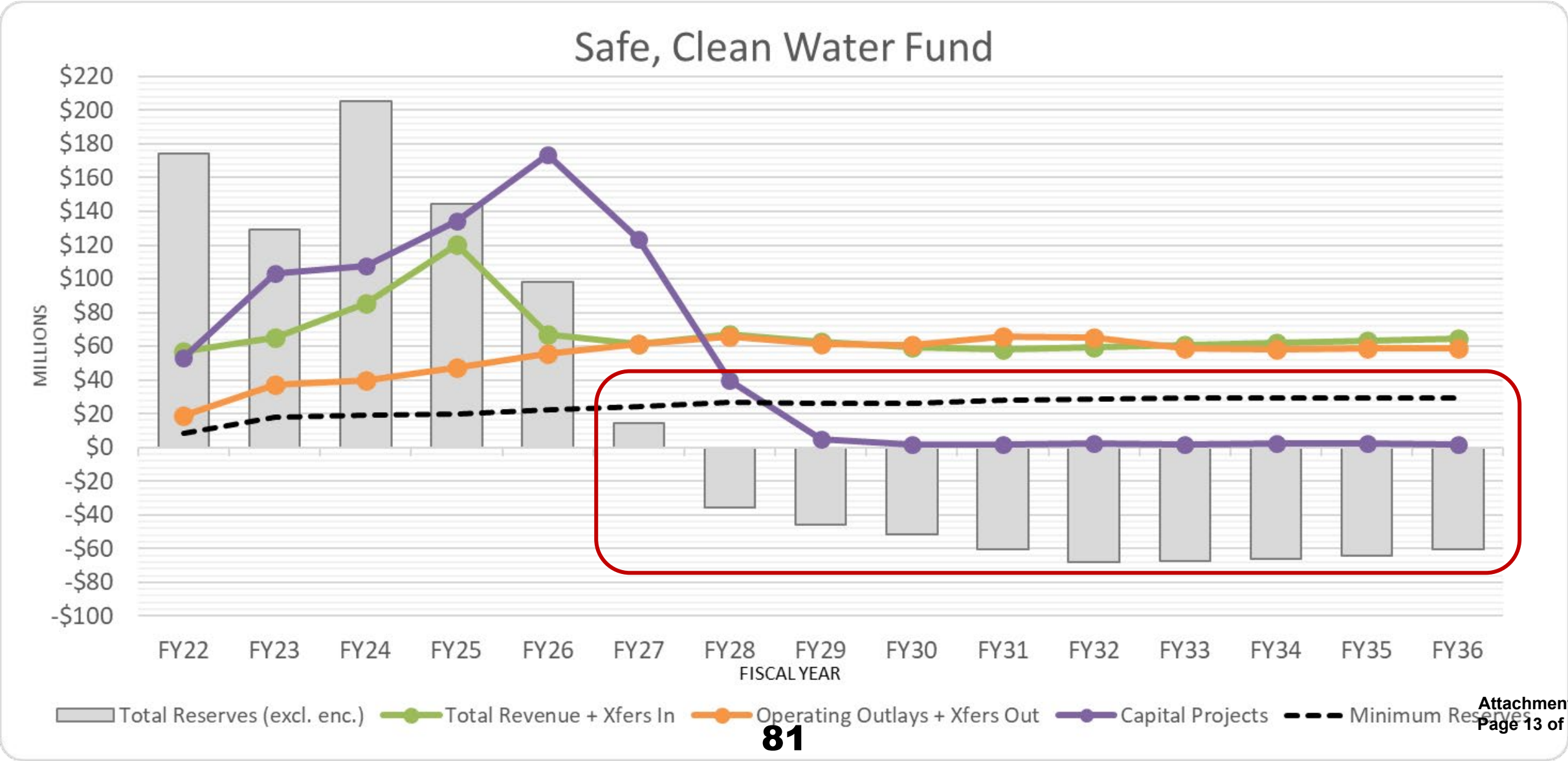
- Includes:
- Ongoing drought-related Emergency Water Supply Purchases
  - Pacheco Reservoir w/ 35% Partnerships & WIFIA loans
  - Anderson Dam with WIFIA loans
  - Delta Conveyance at 3.23% participation
  - Purified Water Expansion via P3
  - Transfer Bethany Pipeline with 30 kAF Storage
  - Slight rebound to drought with 205 kAF water usage in FY24

# Watershed Stream Stewardship Fund 12 - Baseline





# Safe, Clean Water Fund 26 - Baseline



# CIP Evaluation Team Recommendations: Initially Validated and Unfunded Project List

Project Name	Total Project Cost (In \$ thousands)	Remaining Cost (FY24 to completion) (In \$ thousands)	Phase	CIP Evaluation Team Recommendations
<b>FY24 Validated Projects (as of 09/30/2022, Validation due date)</b>				
South Babb Flood Protection Project (Long Term project)	\$21.60M	\$21.60M	N/A	Recommended to <b>MOVE</b> to the unfunded list. Cost estimates will be further refined by staff.
<b>Proposed Changes to the Unfunded Project List for FY24-28 CIP</b>				
Long-Term Purified Water Program Elements	\$206.14M	\$206.14M	N/A	Recommended to <b>REMOVE</b> from the unfunded list - for Phase 2 Purified Water Program. Staff to re-evaluate the cost estimates and coordinate further with the City of San Jose to develop the project.
RWTP Ammonia Storage & Metering Facility Upgrade	\$6.2M	\$6.2M	N/A	Recommended to <b>MOVE</b> into the FY2024-28 CIP as a stand alone project. Upon completion of the RWTP Reliability Project Design Phase, staff will determine the timeline and implementation of the project.
<b>Total:</b>	<b>\$233.94</b>	<b>\$233.94</b>	<b>N/A</b>	

# CIP Evaluation Team Recommendations:

## Validated Projects Recommended for Inclusion in FY 2024-28 CIP

As a result of the CIP Evaluation Team's recommendations, the following project is recommended for inclusion in the FY 2024-28 Preliminary CIP:

**93C40417 RWTP Ammonia Storage & Metering Facility Upgrade:** The existing ammonia storage and metering facility (ASMF) at Rinconada Water Treatment Plant (RWTP) includes a single ammonia storage tank and four metering pumps and associated instrumentation and control equipment. It was installed in the mid-1990's as part of the Toxic Gas Ordinance Compliance Project (TGO), and the existing ammonia storage tank has a nominal capacity of 6,700 gallons for aqua ammonia (19% concentration). However, the condition of the existing tank lining is unknown and will be replaced with two (2) tanks for reliability and safety since it is a critical system for the Plant. The four existing metering pumps will be replaced with new ones, and three new feed lines will be installed from the existing ASMF to the new Raw Water (RW) influent pipelines (north and south) and to the new chlorine contact basin (CCB), respectively. The existing feed points to the clearwells and the BW supply line will be removed. The estimated project cost is \$6.20M and the project duration is expected to last five years.

# CIP Evaluation Team Recommendations:

## Newly Validated Project Recommended for Addition to Unfunded List

During the CIP Evaluation Team's review on November 15, 2022, a newly validated project was submitted (see project summary below) and the team recommended that it be added to the Unfunded List for the FY 2024-28 Preliminary CIP.

**South Babb Flood Protection Project (Long Term):** Recent modeling indicates that there is significant spilling from culverts along South Babb Creek. These spills contribute to flooding of nearby areas, particularly between South Babb Creek, Lower Silver Creek, and Story Road. The recommended project improves the culverts at Lochner Drive, White Road, and Farrington Drive on South Babb Creek. While this will not eliminate all the spilling from South Babb Creek during the 100-year event, the majority of spills would be eliminated. In the hydraulic feasibility and preliminary constraints analysis report, a design was proposed where the Lochner Drive, White Road, and Farrington Drive culverts would be converted to voided slab bridges with a trapezoidal concrete channel underneath. A planning study would be required to evaluate other alternatives that would meet the same goal of reducing flooding risk to the area between South Babb Creek, Lower Silver Creek, and Story Road. Total project cost estimate = \$21.6 million and estimated project duration (all phases combined) = 5-6 years

# CIP Evaluation Team Recommendations: Validated Projects Recommended for removal from the Unfunded List

As a result of the CIP Evaluation Team's recommendations, the following project is recommended for removal from the Unfunded project List:

**Long-Term Purified Water Elements:** This unfunded project was created as a “placeholder” to categorize future planned funding for a Phase 2 to the Purified Water Project. Staff recommends removing this project from the Unfunded list to allow time to facilitate coordination with the City of San Jose to develop a project and develop an updated cost estimate.

# CIP Evaluation Team Recommendations: Fund 61 Scenarios for Board Consideration

Based upon Board feedback regarding rate projections as provided during the November 22, 2022 Board meeting, financial modeling will include the following scenarios:

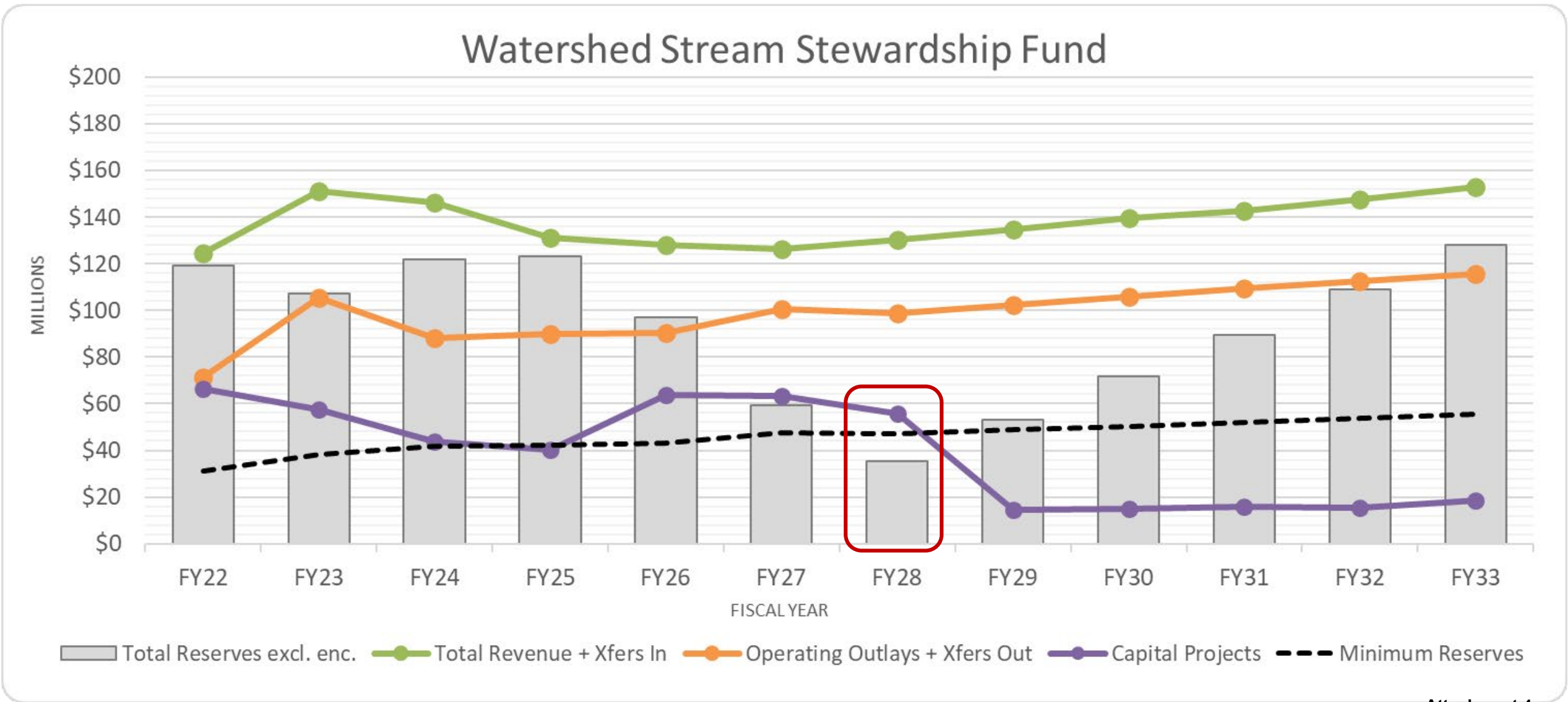
- A. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan)
- B. Baseline with extended drought scenario
- C. Baseline with a range of assumptions for the Pacheco Reservoir Expansion Project
- D. Baseline with a range of assumptions for the Purified Water Program

# CIP Evaluation Team Recommendations: Fund 12 Scenarios for Board Consideration

Based upon Board and CIP Committee feedback and additional analysis, financial modeling will include the following scenario:

- A. Staff Recommended Scenario
  - i. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan);
  - ii. Palo Alto Flood Basin Tide Gates Replacement Project – On-hold Indefinitely (~\$75M); and
  - iii. SF Bay Shoreline Phase One – shifted \$14M from FY24 to FY26.

# Watershed Stream Stewardship Fund 12 - Baseline

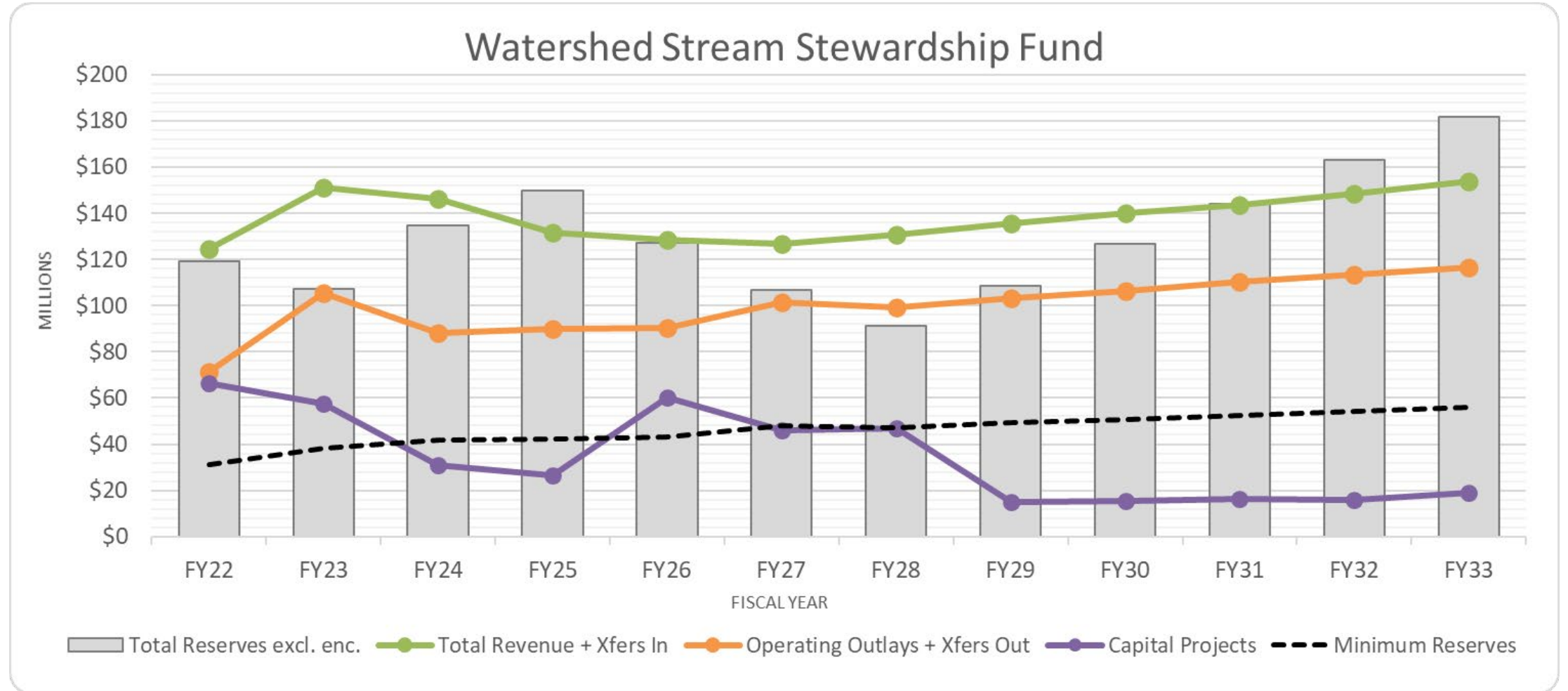


Baseline includes O&M maintenance placeholder\$2M/year FY 24 to8826 then \$5M/year thereafter.



# Watershed Stream Stewardship Fund 12

## Scenario A – Baseline with Adjustments



Scenario A Includes Baseline with:

On Hold – Palo Alto Flood Basin project on hold indefinitely

Shift Planned Expenditures – Shoreline EIA 11 shifted \$11M from FY24 to FY26

# CIP Evaluation Team Recommendations: Fund 26 Scenarios for Board Consideration

Based upon Board and CIP Committee feedback and additional analysis, financial modeling has been prepared for two scenarios (A and B):

## A. Staff Recommended Scenario

- i. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan);
- ii. Higher FY24 Tax Growth (5% vs. 2%);
- iii. Higher NRCS Funding (to match project costs);
- iv. Place the Upper Penitencia Creek Flood Protection and Sunnyvale East/West Channels Flood Protection Projects On-Hold and modify the project by reallocating the construction funding to Fund 26 reserves (Modify funding allocation);
- v. Not implement the D6.3 placeholder project (not implement project);
- vi. Select Almaden Lake Creek/Lake Separation Project to meet D4 KPI #1 (Planning/Design only); and
- vii. Select Ogier Ponds Creek Lake Separation Project to meet D4 KPI #2 and modify the KPI to partially fund construction of Ogier Ponds as the D4.2 Creek/Lake Separation Project (+\$25M) (Modify Key Performance Indicator (KPI)).

# CIP Evaluation Team Recommendations: Fund 26 Scenarios for Board Consideration

Based upon Board and CIP Committee feedback and additional analysis, financial modeling will include the following scenarios:

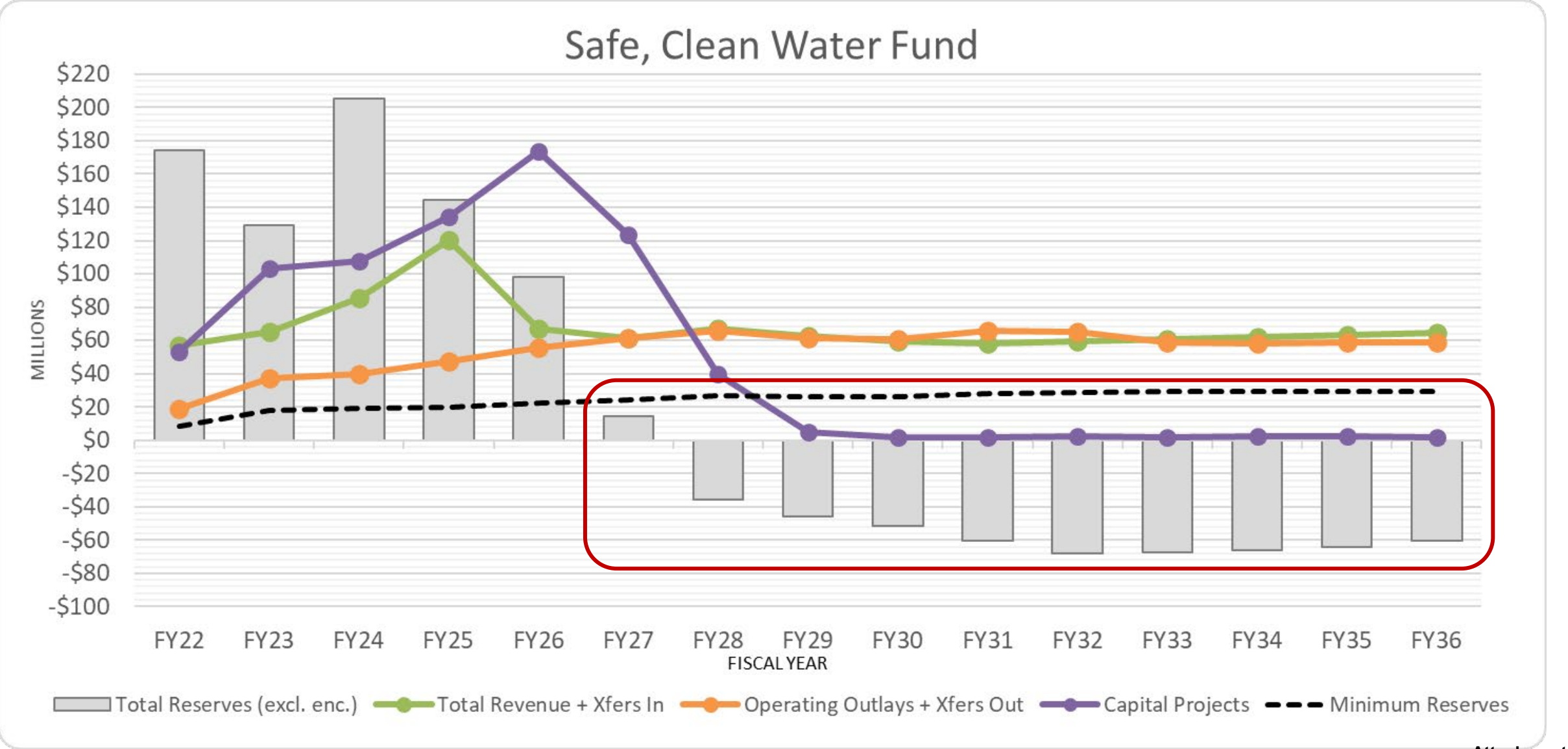
## B. Alternative Scenario for Consideration

- i. Baseline (includes all project plan updates from Board adopted CIP FY 2023-27 Five-Year Plan);
- ii. Higher FY24 Tax Growth (5% vs. 2%);
- iii. Higher NRCS Funding (to match project costs);
- iv. Adjust the construction schedule for the Coyote Creek Flood Protection Project (E1) to begin construction in FY33, following construction of the Anderson Dam Seismic Retrofit Project (Schedule Adjustment);
- v. Select Almaden Lake Creek/Lake Separation Project to meet D4 KPI #1 (Planning/Design only); and
- vi. Select Ogier Ponds Creek Lake Separation Project to meet D4 KPI #2 and modify the KPI to partially fund construction of Ogier Ponds as the D4.2 Creek/Lake Separation Project (+\$25M) (Modify KPI).

# Pros vs. Cons of Fund 26 Scenarios

	Pros	Cons
<b>Scenario A:</b> <ul style="list-style-type: none"><li>• Reallocate construction funding for Sunnyvale East/West Channels (Sunnyvale E/W) and Upper Penitencia Creek (Upper Pen.) Flood Protection Projects and place projects on-hold until funding can be identified (Public hearing to modify project to reallocate funding); and</li><li>• Not implement D6.3 placeholder project, the third geomorphic-designed project under Project D6 (Public hearing to not implement project)</li></ul>	<p>Minimizes risk to the communities along Coyote Creek by moving forward with the planned construction schedule for the Coyote Creek Flood Protection Project (Project E1) to align with completion of the high-level outlet for the Anderson Dam Seismic Retrofit Project (ADSRP).</p> <p>Pros of deferring construction of the Sunnyvale E/W Project include: Additional time to work with Google to formalize a proposed project along Sunnyvale E, similar to what they have done along Sunnyvale W; and provides additional time to coordinate with the Calabazas/San Tomas Aquino Creek Marsh Connection Project. Coordination with both of these projects could potentially lead to cost reductions for the Sunnyvale E/W Project.</p>	<p>Defers construction of Sunnyvale E/W Project (from FY24 start date to TBD), which results in prolonged risk of flooding to the communities along Sunnyvale E/W Channels. Additional challenge is deferring the project halts negotiations for Temporary Construction Easements and discussions with Twin Creek Park (Santa Clara County) development.</p> <p>Defers construction of Upper Pen. Project (from FY26 start date to TBD), which results in prolonged risk of flooding to the communities along Upper Penitencia Creek.</p> <p>Reduces number of geomorphic-designed projects from three to two.</p>
<b>Scenario B:</b> <ul style="list-style-type: none"><li>• Adjust the construction schedule for the Coyote Creek Flood Protection Project (E1) to begin construction in FY33, following construction of the Anderson Dam Seismic Retrofit Project (Schedule Adjustment)</li></ul>	<p>Minimizes risk to the communities along Sunnyvale East/West Channels and Upper Penitencia Creek by moving forward with the planned construction schedules.</p> <p>Maintains the commitment of constructing three geomorphic-designed projects.</p>	<p>Not only would delay of Project E1 prolong the risk of flooding to the communities along Coyote Creek, but for the roughly four-year period after the high-level outlet is constructed, but before the ADSRP is completed, there is an Increased risk of flooding to communities along Coyote Creek.</p>

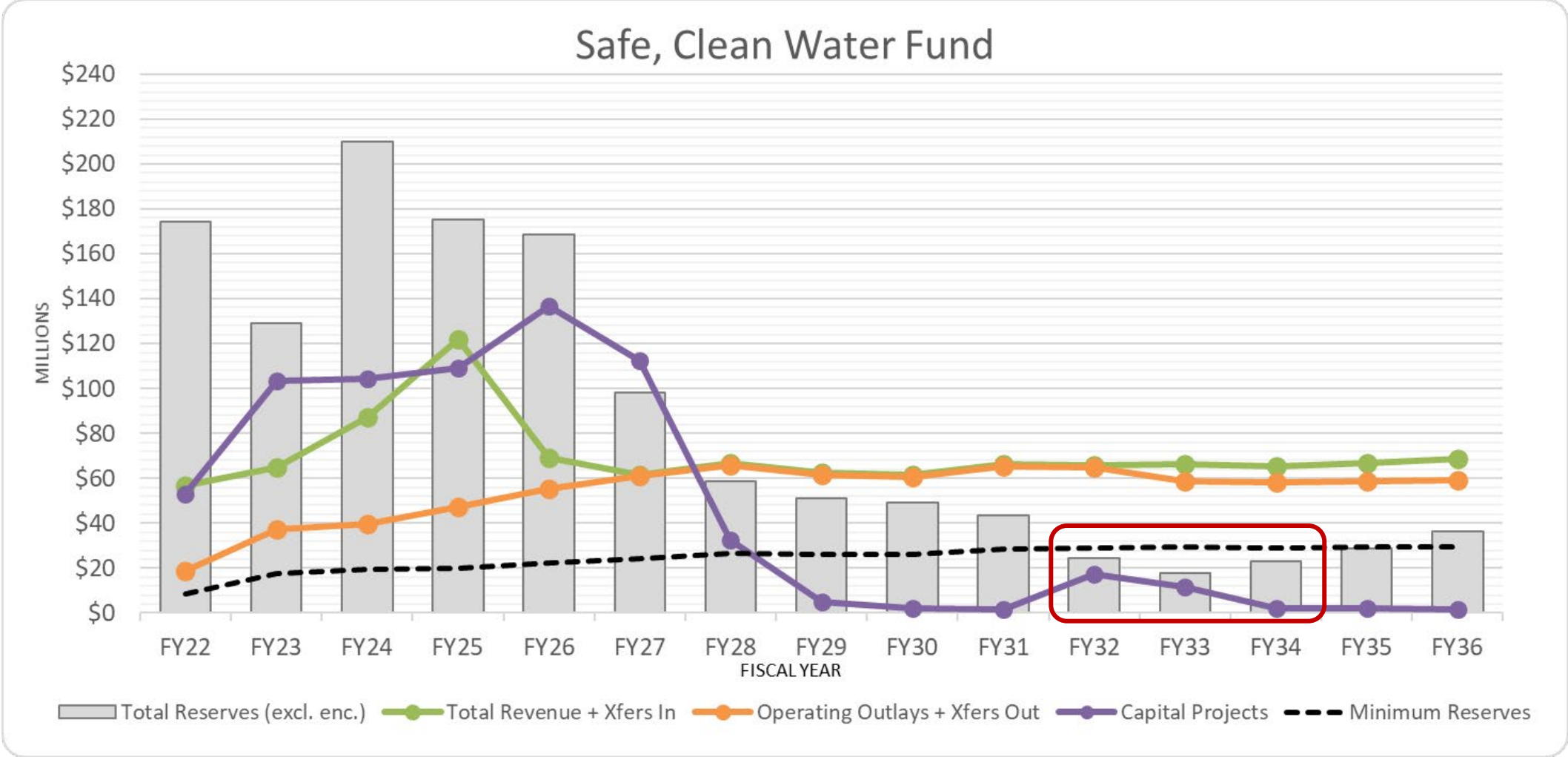
# Safe, Clean Water Fund 26 - Baseline



Baseline includes \$146M in WIFIA funding, \$89.6M NRCS reimbursements for Upper Llagas Creek Phase 2 construction, and external funding from grants and partnerships (\$30M) for San Francisquito Creek through the SFCJPA.

# Safe, Clean Water Fund 26

## Scenario A – Baseline with Adjustments and Modifications

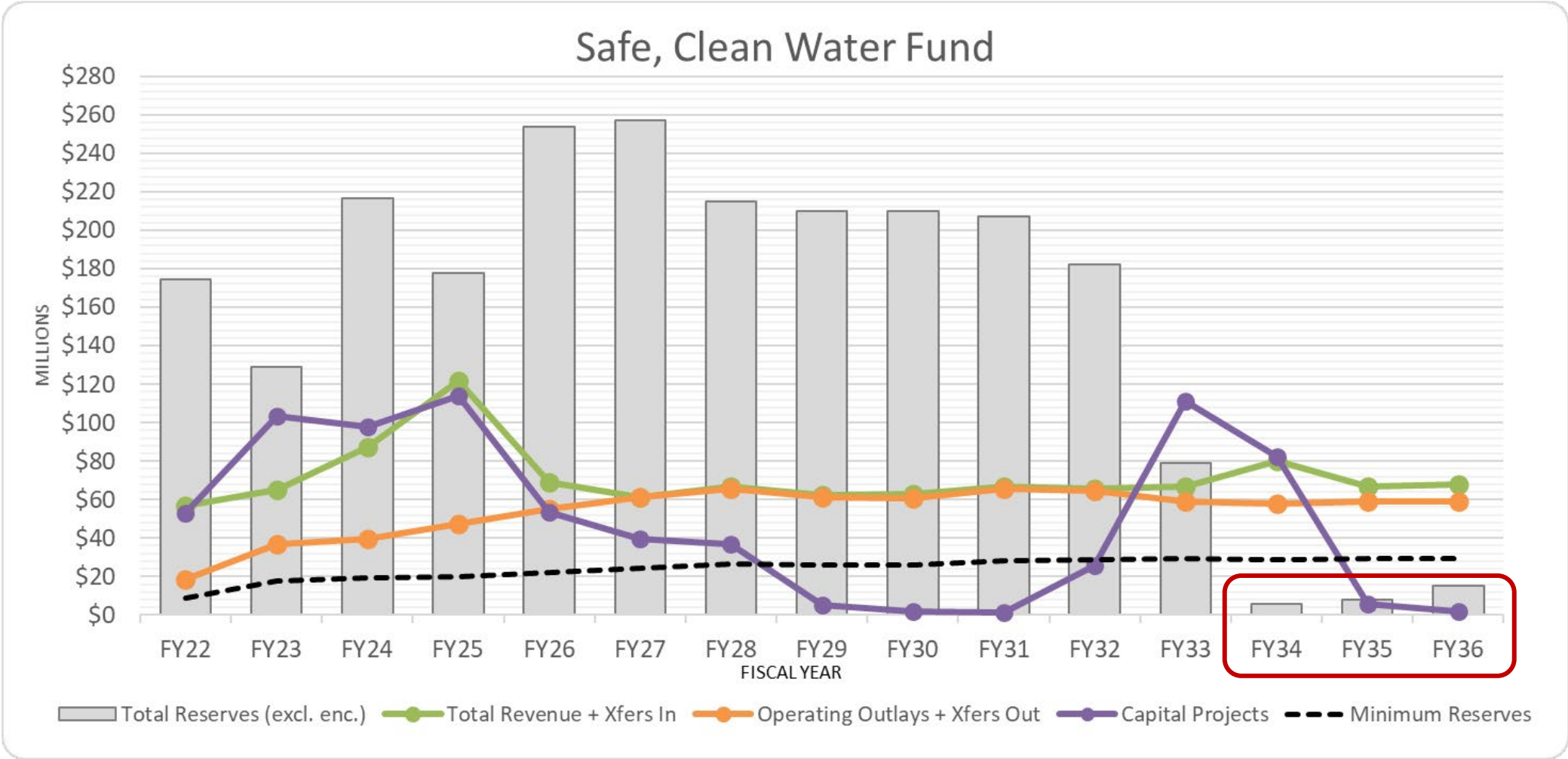


Scenario A Includes Baseline and:  
Higher FY24 Tax Growth (5% vs. 2%) and Higher NRCS Funding (to match project costs)  
On Hold – Upper Penitencia Creek Flood Protection and Sunnyvale East/West Flood Protection (reallocate funding to reserves)  
Not implement -- D6.3 placeholder project;  
Modify – Select Ogier Pond as creek/lake separation project to be construction under D4.2 and partially fund construction (\$25M)/Almaden Lake planning/design only project (D4.1)



# Safe, Clean Water Fund 26

## Scenario B – Baseline with Adjustments and Modifications



Scenario B Includes Baseline and:  
Higher FY24 Tax Growth (5% vs. 2%) and Higher NRCS Funding (to match project costs)  
Schedule Adjustment – Coyote Creek Flood Protection Project construction shifted to begin in FY33  
Modify – Select Ogier Pond as creek/lake separation project to be construction under D4.2 and partially fund construction in FY32-33 (\$25M)/Almaden Lake planning/design only project (D4.1)

## Fund 26: Change Control Process

	<b>Adjustments</b> (publicly noticed meetings)	<b>Modifications</b> (formal public hearing required)
<b>Text</b>	Edits to text for correction of grammatical errors, information/data updates, and overall readability.	Changes to a project's key performance indicators (KPIs).
<b>Schedule</b>	Adjustments to project schedules provided in the original 2020 voter-approved Program.	Non-implementation of a project.
<b>Funding</b>	Budget adjustments and increases to project funding allocations that do not impact any project deliverables in the Program.	Increases to project funding allocations that will impact any project's KPIs in the Program.



## Next Steps

Conduct a Board workshop on January 10, 2023 to:

- Present Draft FY 2024-28 Preliminary Five-Year Plan
- Present additional detail for following projects
  - Anderson Dam Seismic Retrofit Project (and sub-projects)
  - Pacheco Reservoir Expansion Project
  - Rinconada Water Treatment Plant Reliability Improvement Project
  - Purified Water Project
  - Palo Alto Flood Basin Tide Gate Structure Replacement
  - Coyote Creek Flood Protection Project – Montague to Tully
- Present Funding Scenarios for Consideration
- Present CIP Committee recommendations
- Ask the Board to set the time and place for a public hearing for Safe, Clean Water project modifications/non-implementation



# Valley Water

Clean Water • Healthy Environment • Flood Protection



# Santa Clara Valley Water District

**File No.:** 22-1255

**Agenda Date:** 12/12/2022

**Item No.:** 4.5.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

**SUBJECT:**

Review 2022 and 2023 Capital Improvement Program Committee Work Plans and 2023 Proposed Meeting Schedule.

**RECOMMENDATION:**

- A. Review the 2023 Capital Improvement Program Committee Draft Work Plan and make adjustments, as necessary; and
- B. Confirm dates for 2023 CIP Committee meetings.

**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 a recap of items discussed in 2022 and will be used to prepare the Committee's 2022 Annual Accomplishments Report. The draft Work Plan contained in Attachment 2 is presented for the Committee's review to determine topics for discussion in 2023.

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. A calendar of proposed meeting dates contained in Attachment 3 is presented for the Committee's review and to confirm the meeting schedule for 2023. Some meeting dates have been adjusted in accordance with Valley Water's holiday schedule, pending Committee approval.

Establishing a work plan and meeting schedule are necessary to provide staff a basis for meeting

planning and logistics coordination and agenda item preparation.

**ATTACHMENTS:**

Attachment 1: 2022 CIP Committee Work Plan

Attachment 2: 2023 CIP Committee Work Plan

Attachment 3: Proposed 2023 CIP Committee Meeting Dates

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

## CIP Committee 2022 Workplan

	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>
<b>Capital Project Monitoring</b>												
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					
<b>CIP Implementation</b>												
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		
<b>CIP Development</b>												
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
<b>Standing Items</b>												
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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## CIP Committee 2023 Workplan

	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>
<b>Capital Project Monitoring</b>												
Feasibility/Planning	X			X			X			X		
Design/Permitting		X			X			X			X	
Construction			X			X			X			X
Projects in Mitigation/Plant Establishment							X					
<b>CIP Implementation</b>												
Water Treatment Plant Master Plan Implementation	X											
<b>CIP Development</b>												
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
<b>Standing Items</b>												
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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## 2023 CIP Committee Draft Meeting Schedule

January						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March						
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April						
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						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
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23	24	25	26	27	28	29
30						

May						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

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