



Santa Clara Valley Water District Capital Improvement Program Committee Meeting

Video Conference Zoom Meeting

SPECIAL MEETING AGENDA

Friday, July 31, 2020
11:00 AM

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

Nai Hsueh, Chair, District 5
Linda J. LeZotte, Vice Chair, District
4

Tony Estremera, District 6

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BETH REDMOND
Committee Liaison

NATALIE F. DOMINGUEZ,
CMC
Assistant Deputy Clerk II
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(408) 265-2659
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Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

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Capital Improvement Program Committee**

**SPECIAL MEETING
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11:00 AM

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IMPORTANT NOTICES

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020 that allows attendance by members of the Committee, staff, and the public to participate and conduct the meeting by teleconference, videoconference, or both.

Members of the public wishing to address the Committee during a video conferenced meeting on an item not listed on the agenda, or any item listed on the agenda, should use the "Raise Hand" or "Chat" tools located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in the order requests are received and granted speaking access to address the Committee.

Santa Clara Valley Water District (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 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.

Join Zoom Meeting

<https://valleywater.zoom.us/j/97075566456>

Meeting ID: 970 7556 6456

One tap mobile: +16699009128,,97075566456# US (San Jose)

Dial by your location: +1 669 900 9128 US (San Jose)

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" or "Chat" tools 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. ACTION ITEMS:

- 3.1. Discuss Best Value Construction Contractor Selection Method for the Anderson Dam Federal Energy Regulatory Commission Order Compliance Project.

20-0662

Recommendation: Recommend proceeding with a best value construction contractor selection method for the Anderson Dam Federal Energy Regulatory Commission Order Compliance Project (FOCP).

Manager: Christopher Hakes, 408-630-3796

4. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

5. ADJOURN:

- 5.1. Adjourn to Regular Meeting at 10:00 a.m., on August 10, 2020, via Zoom teleconference.



Santa Clara Valley Water District

File No.: 20-0662

Agenda Date: 7/31/2020

Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Discuss Best Value Construction Contractor Selection Method for the Anderson Dam Federal Energy Regulatory Commission Order Compliance Project.

RECOMMENDATION:

Recommend proceeding with a best value construction contractor selection method for the Anderson Dam Federal Energy Regulatory Commission Order Compliance Project (FOCP).

SUMMARY:

Instead of selecting the responsible contractor submitting the lowest bid, a “Best Value” approach would be implemented in a competitively bid process. Staff will establish a “value” for each bid submitted, determined by evaluation of objective criteria such as price, proposed staff and equipment, recently performed similar projects and references to verify past performance, project execution plans, plans for regulatory compliance, and quality of service and risk management. A Best Value determination involves selection of a proposal based not only on cost but also on other specified factors collectively meeting the interests and objectives of Valley Water.

The Leroy Anderson Dam has been determined by local, state, and federal officials to be at risk of an uncontrolled release of water caused by an earthquake. A breach of the dam at full capacity would have catastrophic consequences for life and property, inundating an area extending more than 30 miles northwest to San Francisco Bay, including the Cities of Milpitas, San Jose, Santa Clara, and Sunnyvale, and more than 40 miles southeast to Monterey Bay, including the Cities of Gilroy, Morgan Hill, and Watsonville.

As a result of these conditions, in a February 20, 2020 Order, the Federal Energy Regulatory Commission (FERC) ordered Valley Water to immediately implement interim risk reduction measures to protect the public from risk of dam failure at Anderson Dam due to seismic activity. FERC stated in its Order that Valley Water should implement the dam safety directives, including design and construction of the proposed low-level outlet immediately.

Staff has been working with FERC to obtain concurrence on the FOCP schedule and schedule expectations. FERC has indicated that construction of the new, low-level outlet, the Anderson Dam Tunnel Project (ADTP), should begin no later than early 2021. The ADTP design plans and specifications are at 100% and staff is preparing to submit them to FERC, California Department of Water Resources, Division of Safety of Dams, and the Anderson Dam Seismic Retrofit Project’s

(ADSRP) Board of Consultants (BOC) this month for review and subsequent final approval by approximately November 23, 2020. Staff will then have all of December and January for the bid period, bid evaluation, legal review, and contract award action by the Board of Directors.

Implementing a Best Value construction contractor selection method has been identified as a highly desirable risk reduction measure for the ADSRP by the FERC-mandated Independent Board of Consultants. Because current law does not authorize Valley Water to select a construction contractor other than by competitive sealed bid to determine the responsible bidder submitting the lowest responsive bid, Valley Water sponsored, and State Assembly Member Robert Rivas authored a bill, Assembly Bill 3005, that is currently making its way through the state legislative process that would allow for Best Value contractor selection for the ADSRP and FOCF.

District Counsel has arranged for outside legal counsel to attend the CIP Committee meeting and deliver a presentation further explaining the Best Value selection method and justification for implementing this approach. A power point slide presentation will be included.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Christopher Hakes, 408-630-3796