

November 22, 2017

## NOTICE OF MEETING – REQUEST FOR RSVPS

Members of the Capital Improvement Program (CIP) Committee

Director Nai Hsueh, *Chairperson*

Director Tony Estremera, *Vice Chairperson*

Director Linda LeZotte, *Committee Member*

And Supporting Staff Members

Norma Camacho, Interim Chief Executive Officer

Leslie Orta, Senior Assistant District Counsel

Rick Callender, Chief of External Affairs

Anil Comelo, Acting Chief Operating Officer – Administrative Services

Melanie Richardson, Interim Chief Operating Officer - Watersheds

Nina Hawk, Chief Operating Officer – Water Utility

Darin Taylor, Chief Financial Officer

Katherine Oven, Deputy Operating Officer

Vincent Gin, Deputy Operating Officer

Garth Hall, Deputy Administrative Officer

Ngoc Nguyen, Interim Deputy Operating Officer

Sudhanshu Tikekar, Deputy Administrative Officer

Christopher Hakes, Assistant Officer

Charlene Sun, Budget Manager

Beth Redmond, Capital Program Planning and Analysis Unit Manager

The next meeting of the Santa Clara Valley Water District Capital Improvement Program Committee, is scheduled to be held at **12:00 p.m., on Monday, November 27, 2017**, in the District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Enclosed for your convenience, please find a copy of the agenda and corresponding materials.

Additional materials for this meeting will be distributed and made available to the public at or prior to the meeting, in compliance with the Brown Act.

Please RSVP at your earliest convenience to confirm your attendance by calling 408-630-2659, or via email to [ndominguez@valleywater.org](mailto:ndominguez@valleywater.org).

Regards,

*Natalie F. Dominguez*

Natalie F. Dominguez

Board Administrative Assistant II

Santa Clara Valley Water District

Office of Clerk of the Board

Enclosures

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**CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE**

*District 5 Director N. Hsueh, Chairperson*

*District 6 Director T. Estremera, Vice Chairperson*

*District 4 Director L. LeZotte, Committee Member*



**\*AMENDED/APPENDED  
AGENDA**

**CAPITAL IMPROVEMENT PROGRAM COMMITTEE**

**Santa Clara Valley Water District Headquarters Building, Room A-124  
5700 Almaden Expressway, San Jose, CA 95118**

**Monday, November 27, 2017  
12:00 PM**

**Time Certain:**

**12:00 p.m.**

**1. Call to Order/Roll Call.**

**2. Time Open for Public Comment on Any Item Not on the Agenda.**

*Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.*

**3. Approval of Minutes:**

Recommendation: Approve the minutes of October 18, 2017.

**\*4 Action Items:**

- \*4.1** Alternative Funding Scenarios for the Board's Priority Projects (Coyote Creek-Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements).  
(N. Nguyen, C. Hakes)

Recommendation:

Receive information and provide feedback on next steps.

- \*4.2** Update on Rinconada Water Treatment Plant Reliability Improvement Project and the Rinconada Water Treatment Plant Residuals Management Project. (C. Hakes)

Recommendation:

Receive information and provide feedback on:

- A. Rinconada Water Treatment Plant Reliability Improvement Project; and
- B. Rinconada Water Treatment Plant Residuals Management Project.

- \*4.3** Report of Bids Received for the Board Room AV Project and Discussion of Alternative Project Features. (S. Tikekar)

Recommendation:

Receive information and provide direction on alternatives that staff will be recommending for Board approval.

**\*4.4 2017-18 Consultant Agreements and Amendments to Existing Consultant Agreements. (Staff)**

**Recommendation:**

Receive information on upcoming consultant agreements and/or amendments that staff will be recommending for Board approval.

- 5. Review and Discuss 2017 Committee Work Plan.**
- 6. Discussion of Next Committee Meeting Agenda and Schedule.**
- 7. Clerk's Review and Clarification of Committee Requests.**
- 8. Adjourn to Regular Meeting at 10:00 a.m., on December 11, 2017, in the Santa Clara Valley Water District Headquarters Building, Room A-124, 5700 Almaden Expressway, San Jose, CA 95118.**

REASONABLE EFFORTS TO ACCOMMODATE PERSONS WITH DISABILITIES WISHING TO ATTEND COMMITTEE MEETINGS WILL BE MADE. PLEASE ADVISE THE CLERK OF THE BOARD OFFICE OF ANY SPECIAL NEEDS BY CALLING (408) 630-2277.

Meetings of this committee will be conducted in compliance with all Brown Act requirements. 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 for public inspection at the same time that the public records are distributed or made available to the legislative body, at the following location:

Santa Clara Valley Water District, Office of the Clerk of the Board  
5700 Almaden Expressway, San Jose, CA 95118

CIP Committee Purpose: The CIP Committee is established to provide a venue for more detailed discussions regarding capital project validation, including recommendations on prioritizing, deleting, and/or adding projects to the CIP, as well as monitoring implementation progress of key projects in the CIP.

CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE MEETING

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# MINUTES

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WEDNESDAY, OCTOBER 18, 2017  
2:00 PM

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Capital Improvement Program (CIP) Committee was held at 2:00 p.m., on October 18, 2017, in the Santa Clara Valley Water District Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

**1. Call to Order/Roll Call**

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

District 6 Director Tony Estremera arrived as noted below.

Staff members in attendance were H. Desai, N. Dominguez, V. Gin, C. Hakes, N. Hawk, L. Orta, K. Oven, N. Nguyen, M. Richardson, L. Rossiter, D. Taylor, and S. Tikekar.

**2. Time Open for Public Comment on any Item not on the Agenda**

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

**3. Approval of Minutes**

It was moved by Chairperson Hsueh, seconded by Director LeZotte, and carried to approve the minutes of August 18, 2017 and presented, and approve the minutes of September 18, 2017, with revision to Page 2, Paragraph 2 as follows:

Chairperson Hsueh and Director LeZotte requested staff **ensure research** the nexus between environmental stewardship projects and water ~~rights charges, or other water utilities, is demonstrated when project funding is proposed~~. Staff was directed to return to the committee with an analysis identifying the requirements for establishing a nexus between the identified stewardship projects and the Water Utility.

#### 4. Action Items

- 4.1 Alternative Funding Scenarios for the Committee's Priority Projects (Coyote Creek – Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements).

Recommendation: Receive information and provide feedback on next steps.

Mr. Ngoc Nguyen, Interim Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo and the information contained in Attachment 2. Mr. Chris Hakes, Assistant Officer, reviewed the Fisheries and Aquatic Habitat Collaborative Effort Implementation Funding information contained in the attached Committee Agenda Memo, page 2.

Director Estremera arrived.

Chairperson Hsueh called for public comment on Item 4.1.

Ms. Stephanie, Moreno, Guadalupe Coyote Resource Conservation District, expressed concern regarding alternatives to fund priority projects, and submitted the attached written comments, identified as Handout 4.1-B, herein.

Chairperson Hsueh acknowledged receipt of the attached written comments from Mr. Richard McMurtry, identified as Handout 4.1-A, herein. Copies of the Handout were distributed to the Committee and made available to the public.

Chairperson Hsueh requested that staff prepare written responses to Ms. Moreno and Mr. McMurtry's comments, and refer the responses to the Board Audit Ad Hoc Committee for information and dissemination.

The Committee made the following requests:

- Stop all activities related to Upper Penitencia;
- Use \$8 million from Fund 12 to fund unfunded CIPs instead of funding land preservation under Safe Clean Water Project D7 Partnership;
- Assume Fiscal Year 2021 Water Utility Enterprise Fund for FAHCE funding will be available;
- Lower Berryessa, Phase 3: Push design and planning phases out further to show a continuous schedule;
- Grants: Staff to continue to pursue grant funding; and
- Pursue additional Open Space Credit.

- 4.2. Fiscal Year 2017-18 Consultant Agreements and Amendments.

Mr. Hakes and Mr. Hemang, Desai, Dam Safety Program Manager, reviewed the information on this item, per the attached Committee Agenda Memo.

10/18/17

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Ms. Katherine Oven, Deputy Operating Officer, clarified that the addition of fish passage design services to Amendment 3 to the Almaden Dam Improvements design services agreement were staff recommendations at this time. The project's permits have yet to be negotiated; however, it would be recommended to move ahead as it was likely there would be some level of fish passage included in the Almaden Dam Improvements project.

The Committee noted the information without formal action.

**5. Review and Discuss 2017 Committee Work Plan**

The Committee reviewed the 2017 Work Plan and made the following adjustments:

- The Committee requested changes to its Board Strategic Challenges and Budget Priorities, identified as Handout 5-A, herein, which will be presented to the Board at the October 24, 2017, meeting. Copies of the handout were distributed to the Committee and made available to the public.
- Reschedule the November 3, 2017, Regular Meeting to Tuesday, November 28, 2017, at 12:00 p.m.
- Open Space Credit Analysis. (D. Taylor)
- Update on Rinconada Water Treatment Plant Reliability Improvement Project – Residuals.

**6. Clerk's Review and Clarification of Committee Requests.**

Ms. Natalie Dominguez, Board Administrative Assistant II, confirmed there were no formal requests for Board consideration.

**7. Discussion of Next Committee Meeting Agenda and Schedule.**

The Committee confirmed the meeting of November 13, 2017, was rescheduled to Tuesday, November 28, 2017, at 12:00 p.m.

**8. Adjourn**

Chairperson Hsueh adjourned the meeting at 3:40 p.m., to the rescheduled regular meeting at 12:00 p.m., on Tuesday, November 28, 2017, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose.

Natalie F. Dominguez  
Committee Clerk

Approved:

Date:

10/18/17

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Committee: CIP  
Meeting Date: 11/27/17  
Agenda Item No.: \* 4.1  
Unclassified Manager: N. Nguyen, C. Hakes  
Email: [nnguyen@valleywater.org](mailto:nnguyen@valleywater.org)  
[chakes@valleywater.org](mailto:chakes@valleywater.org)

## COMMITTEE AGENDA MEMO

**SUBJECT:** Alternative Funding Scenarios for the Committee's Priority Projects (Coyote Creek- Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements). (N. Nguyen, C. Hakes)

### RECOMMENDED ACTION:

Receive information and provide feedback on next steps.

### SUMMARY:

This is a continuation of the discussion from the October 18, 2017 Committee meeting. Only the Open Space Credit section, Revenue Options Assessment section, and Attachments have been revised.

The Committee directed staff to analyze alternative funding scenarios that would include various combinations of utilizing funds from Open Space Credit, the Fish and Aquatic Habitat Collaborative Effort (FAHCE), the Safe, Clean Water Program (SCW), the Redevelopment Successor Agency, and, if necessary, changes to schedules and/or scope of other watershed capital projects. Attachment 1, Alternative Financial Analysis – Starting Point for Scenarios contains charts showing alternative financial projections resulting from this analysis for the Watershed Stream Stewardship Fund 12 and the Safe Clean Water Fund 26.

At the July 10, 2017 meeting, the Committee also reviewed the list of watershed projects that do not have assured funding through construction. The Committee suggested that additional evaluations and direction from the Board would be needed to consider additional funding, if feasible, to complete construction of the following projects (not in any preferential order):

1. Coyote Creek (from Montague Expressway to Tully Road)
2. Almaden Lake Improvements
3. Ogier Pond/Creek Separation
4. Metcalf Pond/Creek Separation
5. Stevens Creek Fish Passage Barrier Improvements

As requested by the Committee, staff has developed six alternative funding scenarios for the Committee's discussion and further direction to staff. Those funding scenarios are included in Attachment 2. Each scenario has different assumptions: using a combination of funding sources, making changes to existing capital improvement projects, and assuming resolution of the pending FAHCE settlement agreement in FY-21.

At the October 8, 2017 meeting, the Committee directed staff to develop additional funding scenarios using the following assumptions:

1. Stop working on Upper Penitencia Creek Project
2. Instead of using Fund 12 monies for habitat land preservation under the Safe Clean Water Project D7, transfer that amount to fund unfunded watershed projects identified by the Committee.
3. Assume that funding from FAHCE is available beginning in FY 21 for qualified unfunded habitat enhancement projects.
4. Adjust project schedule so that there is continuity, with minimal waiting time, from planning and design to construction phases.
5. Consider grants opportunities for unfunded watershed projects identified by the Committee.
6. Consider Open Space Credit to fund unfunded watershed projects identified by the Committee.

Three additional funding scenarios were developed based on Committee's direction. Together, nine funding scenarios were developed for the Committee's discussion and consideration.

### ***Open Space Credit***

On September 18, 2017, the Board's Capital Improvement Program Committee directed staff to analyze scenarios to decrease the Open Space Credit and therefore provide more funding for flood protection projects. Staff has prepared the following alternatives:

1. M&I users pay for open space credit – This alternative is not feasible now, but could be in the future depending on the outcome of the City of San Buenaventura v. United Water Conservation District, which is currently pending before the California Supreme Court.
2. Increase the agricultural groundwater production charge to 10% of M&I over a 10-year time frame. Doing so would result in a \$5.5M reduction to the Open Space Credit by FY 30, which would translate to \$3.9M of incremental funding for flood protection. Under this scenario the agricultural groundwater production charge would be \$79.10/AF in FY 30 vs \$47.50/AF.
3. Increase the agricultural groundwater production charge to 10% of M&I over a 5-year time frame. Doing so would result in a \$7.1M reduction to the Open Space Credit by FY 30, which would translate to \$5.0M of incremental funding for flood protection. Under this scenario the agricultural groundwater production charge would be \$79.10/AF in FY 30 vs \$47.50/AF.
4. Increase the agricultural groundwater production charge to 25% of M&I over 10-year timeframe. Doing so would result in a \$26.2M reduction to the Open Space Credit by FY 30, which would translate to \$18.4M of incremental funding for flood protection. Under this scenario the agricultural groundwater production charge would be \$197.80/AF in FY 30 vs \$47.50/AF.

Minimizing the Open Space Credit could cause fallowing of agricultural lands in the County. According to the 2013 economic study prepared by ERA Economics LLC, increasing the agricultural groundwater production charge to 10% of the M&I charge in South County over a 10 year phase-in period would result in the permanent fallow of 17 acres of agricultural lands out of a baseline of 15,668 acres. Increasing the agricultural groundwater production charge to 25% of the M&I charge would result in the permanent fallow of 549 acres or 3.5% of the 15,668 baseline acres.

### ***Revenue Options Assessment***

At the September 18, 2017 Committee meeting, Mr. William Statler, Consultant, presented his analysis on potential new revenue sources which could help fund high priority capital projects. The Committee requested that staff present the same information to the Water Retailers Committee and relay the Committee's interest in further exploring a Development Impact Fee. Staff presented the analysis to the Water Retailers on October 18, 2017. The Retailers had very little feedback but did suggest that the topic of a District Development Impact

Fee be brought up at a future City Manager's Association meeting or Public Works Officials meeting. Staff is still in the process of working with Mr. Statler to finalize his report.

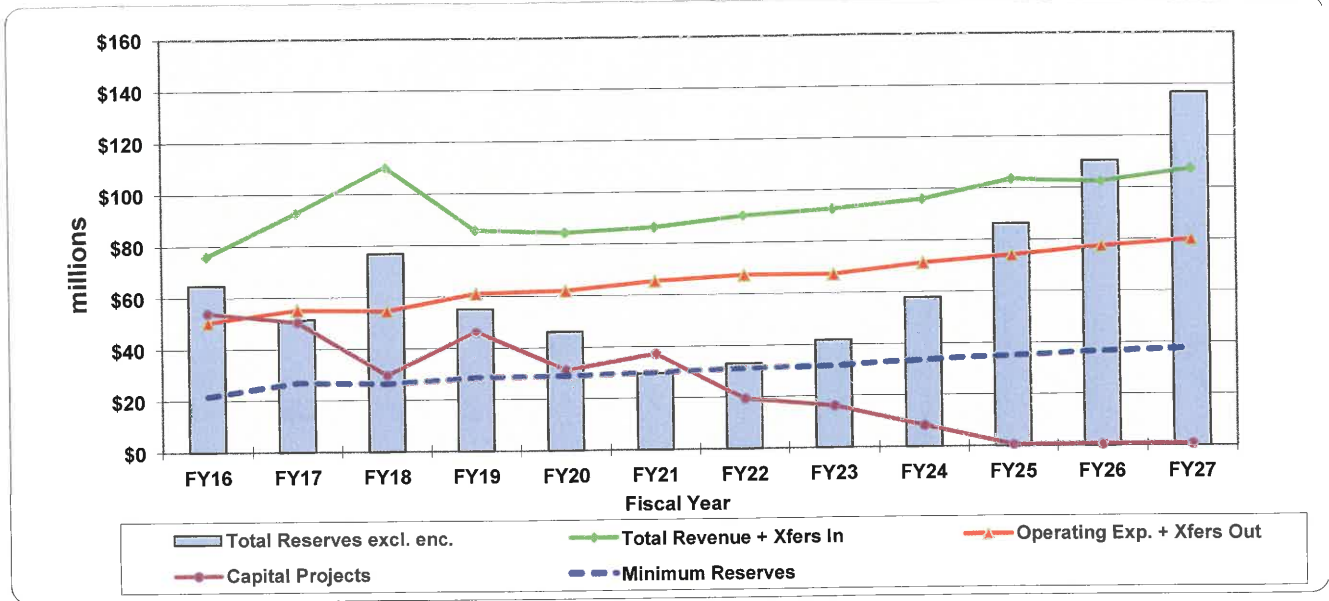
**ATTACHMENT(S):**

- Attachment 1: Alternative Financial Analysis – Starting Point for Scenarios
- Attachment 2: Nine Scenarios to Fund Priority Projects
- Attachment 3: Grant Funding Information
- Attachment 4: FY 2018-32 Planned Subventions Reimbursement Schedule

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## Alternative Financial Analysis - Starting Point for Scenarios

### Watershed Stream Stewardship Fund

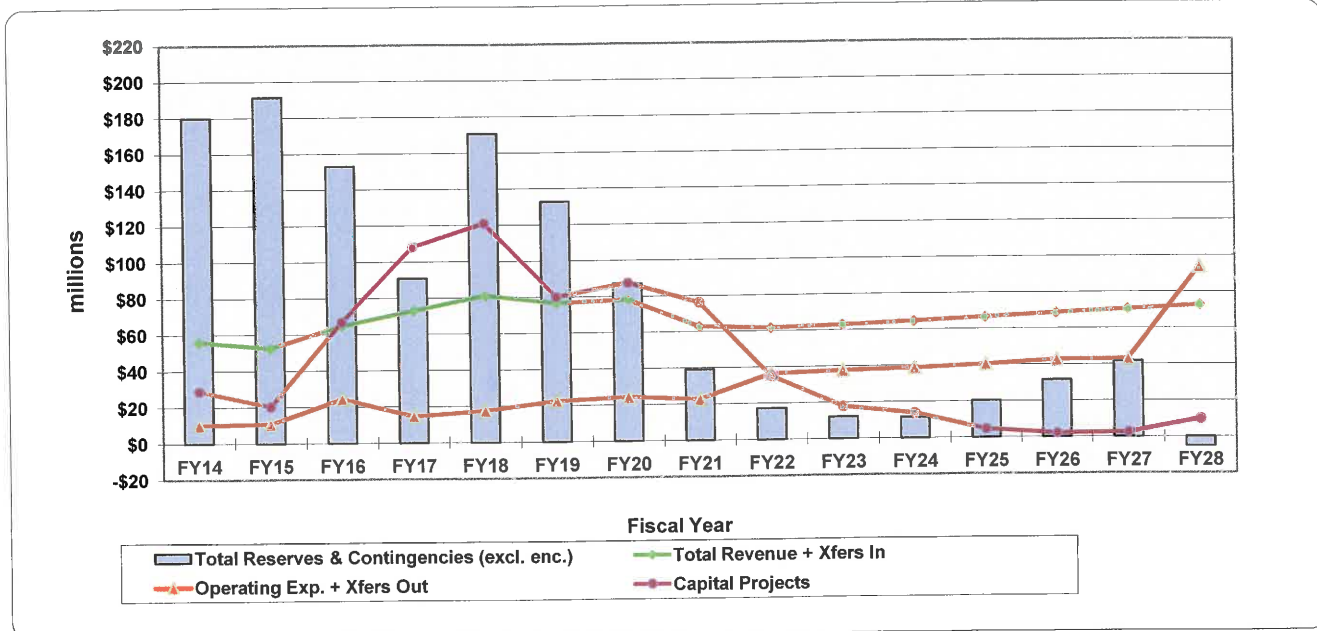


Available to spend				
FY 23	FY 24	FY 25	FY 26	FY 27
8,000	12,000	25,000	25,000	20,000

**Key Assumptions:**

- Based on FY 18 CIP
- Based on Fall 2016 constrained operations cost LTF
- Based on FY 2018 budget
- Assumes \$31.1M of open space credit transfer FY 18- FY27
- Assumes annual 1% property tax growth of 3.5% beyond FY 18
- Assumes \$200k per year in permit revenue for land development review cost recovery
- Assumes \$27M for DWR state bond & \$5.9M of state subventions for Llagas Creek and Lower Silver Creek in FY 18 & FY 19

### SCW Fund



**Key Assumptions:**

- Based on FY 18 CIP
- Based on Fall 2016 constrained operations cost long term forecast
- Based on FY 2018 budget
- Assumes 3% annual growth in special tax rate with sunset after FY 28
- Assumes \$52.3M state subventions receipts and \$6M from DWR for Berryessa Crk in FY 18 & beyond
- Assumes \$140M debt issuance in FY 18



# Nine Scenarios to Fund Priority Projects

## Scenario 1: Existing Plan

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr. start FY-21)														
26	26044001	Almaden Lake Improvements (D4, 1a) (Const \$20M)	21													
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26/12	26174043	Coyote Creek, 25 YR project Montague Expy - Tully Rd (26/53)	79													
12		Ogier Pond/Coyote Creek Separation	26													
12		Metcaif Pond/Coyote Creek Separation	26													
12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

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#### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- Continue with planning and design on all projects with only existing Fund 26 and Fund 12 revenue.
- Upper Penitencia Ck, Coyote Ck-Dorel Dr completed with COE participation or District constructs Local Project.
- Scenario indicates funding goes negative in FY-22.
- Approximately \$30M/yr in additional revenue starting in FY-23 is needed to fund this scenario.

# Nine Scenarios to Fund Priority Projects

## Scenario 2: Safe Clean Water Priority

Fund	Number	Name	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
			Total Estimated cost (\$M)												
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)													
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21												
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56												
26/12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79												
12		Ogier Pond/Coyote Creek Separation	26												
12		Metcalf Pond/Coyote Creek Separation	26												
12		Stevens Creek Fish Passage Barriers	15												
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53												

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- Upper Penitencia Ck, Coyote Ck-Dorel Dr completed with USACE participation or District constructs Local Project.
- Berryessa Phase 3 construction starts in FY-26 when adequate Fund 12 revenue is available.
- Watersheds Asset Rehabilitation Program reduced 40-60% to insure adequate funding for Safe Clean Water Projects
- Assumes Fund 12 Revenue continues stable after FY27 (~ \$20M/yr)



# Nine Scenarios to Fund Priority Projects

## Scenario 3: Habitat Projects Prioritized for Funding

(FAHCE Settlement assumed in FY-21)

Fund	Number	Name	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
			Total Estimated cost (\$M)												
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)													
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)							21						
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3							56						
26/12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)							79						
61/12		Ogier Pond/Coyote Creek Separation							26						
61		Metcalfe Pond/Coyote Creek Separation							26						
61/12		Stevens Creek Fish Passage Barriers							15						
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)							53						

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

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#### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs.
- Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-19.
- FAHCE Settlement in FY21, WUE funds 50% of Ogier, 100% of Metcalfe, Stevens Ck at Moffett.
- Berryessa Phase 3 construction scheduled when adequate Fund 12 revenue is available.

# Nine Scenarios to Fund Priority Projects

## Scenario 4: Flood Protection Projects Prioritized for Funding

(FAHCE Settlement assumed in FY-21)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)															
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21														
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56														
26 /12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79														
61/12		Ogier Pond/Coyote Creek Separation	26														
61		Metcalf Pond/Coyote Creek Separation	26														
61/12		Stevens Creek Fish Passage Barriers	15														
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53														

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

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#### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- D7 Partnership for the Conservation of Habitat Land Fund 12 (\$10M) redirected to Watersheds Asset Rehabilitation Program (\$8M /yr)
- Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-19.
- This scenario has a \$4M shortfall in FY-25 that could be resolved in several ways.
- FAHCE Settlement in FY21, WUE funds 50% of Ogier, 100% of Metcalf, Stevens Ck at Moffett.
- Ogier Pond pushed out to FY-26 start date for planning construction completed by FY-30, when adequate Fund 12 revenue is available.
- Construction of Stevens Creek Fish barrier removal other than Moffett in FY-26 and FY-27 when adequate Fund 12 revenue is available.
- Assumes Fund 12 Revenue continues after FY27 (~ \$10M/yr.)

# Nine Scenarios to Fund Priority Projects

## Scenario 5: \$35M Additional Grants/Cost Share

(FAHCE Settlement assumed in FY-21)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)														
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21													
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26/12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79													
61/12		Ogier Pond/Coyote Creek Separation	26													
61		Metcalf Pond/Coyote Creek Separation	26													
61/12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

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#### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs.
- D7 Partnership for the Conservation of Habitat Land Fund 12 (\$10M) redirected to Watersheds Asset Rehabilitation Program (\$8M /yr)
- Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-19.
- This scenario has a \$4M shortfall in FY-25 that could be resolved in several ways.
- FAHCE Settlement in FY-21, WUE funds 50% of Ogier, 100% of Metcalf, Stevens Ck at Moffett.
- Berryessa Phase 3 construction starts in FY-26 when adequate Fund 12 revenue is available.
- This scenario requires approximately \$34M grants or cost sharing, schedule is conditional upon receiving additional funding.

# Nine Scenarios to Fund Priority Projects

## Scenario 6: Get all Projects Shovel Ready

(No WUE Funding)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr. start FY-21)														
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21													
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26	26174043	Coyote Creek, 25 YR project Montague Expwy to Tully Rd )	26													
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12		Metcalf Pond/Coyote Creek Separation	26													
12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

### Notes

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- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- Complete planning and design on all projects including using Fund 12 & 26 revenue.
- Upper Penitencia Ck, Coyote Ck-Dorel Dr only Planning and Design completed, Construction funds used for Environmental projects and Coyote.
- Construction schedule shown when revenue is available.
- Assumes Fund 12 Revenue continues stable after FY27 (~ \$20M/yr)



# Nine Scenarios to Fund Priority Projects

## Scenario 7: Straight into Construction Prioritized for Funding

(FAHCE Settleme assumed in FY-21)

Fund	Number	Name	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
			Total Estimated cost (\$M)												
12	62084001	Watersheds Asset Rehabilitation Program (\$11M/yr.)													
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21												
12	40C40397	Beryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56												
26 /12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79												
61/12		Ogier Pond/Coyote Creek Separation	26												
61		Metcalfe Pond/Coyote Creek Separation	26												
61/12		Stevens Creek Fish Passage Barriers	15												
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53												

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- D7 Partnership for the Conservation of Habitat Land Fund 12 (\$10M) redirected to Watersheds Asset Rehabilitation Program (\$11M /yr)
- Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-19.
- FAHCE Settleme in FY21, WUE funds 50% of Ogier, 100% of Metcalfe, Stevens Ck at Moffett.
- Additional funding for WARP to fund at \$11m/yr.
- Assumes Fund 12 Revenue continues after FY27 (~ \$10M/yr.)
- Includes \$24M in grants, which are currently unidentified.
- Includes \$3.9M in Open Space Credit revenue.

# Nine Scenarios to Fund Priority Projects

## Scenario 8: Straight into Construction Prioritized for Funding, No Grants/Open Space

(FAHCE Settlement assumed in FY-21)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)														
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21													
12	40C40397	Berrvessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26 /12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79													
61/12		Ogier Pond/Coyote Creek Separation	26													
61		Metcalfe Pond/Coyote Creek Separation	26													
61/12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

18

### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- D7 Partnership for the Conservation of Habitat Land Fund 12 (\$10M) redirected to Watersheds Asset Rehabilitation Program (\$8M /vr)
- Upper Penitencia Ck. Covote Ck-Dorel Dr stopped in FY-19.
- FAHCE Settlement in FY21. WUE funds 50% of Ogier. 100% of Metcalfe. Stevens Ck at Moffett.
- Assumes Fund 12 Revenue continues after FY27 (~ \$10M/vr.)
- Does not include grants or open space credit revenue.
- Berrvessa Creek is moved to FY21 start to avoid a gap between permitting and available funding for construction.

# Nine Scenarios to Fund Priority Projects

## Scenario 9: Straight into Construction Prioritized for Funding, with Upper Penitencia Creek Planning

(FAHCE Settlement assumed in FY-21)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)															
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21														
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56														
26/12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79														
61/12		Ogier Pond/Coyote Creek Separation	26														
61		Metcalf Pond/Coyote Creek Separation	26														
61/12		Stevens Creek Fish Passage Barriers	15														
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53														

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%

### 19

#### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- D7 Partnership for the Conservation of Habitat Land Fund 12 (\$10M) redirected to Watersheds Asset Rehabilitation Program (\$8M /yr)
- Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-21 after planning.
- FAHCE Settlement in FY21, WUE funds 50% of Ogier, 100% of Metcalf, Stevens Ck at Moffett.
- Assumes Fund 12 Revenue continues after FY27 (~ \$10M/yr.)
- Does not include grants or open space credit revenue.
- Berryessa Creek is moved to FY21 start to avoid a gap between permitting and available funding for construction.
- Includes initial planning for Upper Penitencia Creek.





## Grant Funding Information

1. Known existing funding opportunities:
  - A. Most grant opportunities are limited to approximately \$3 - \$4 million per project; often they are less. One current exception is the Proposition 1 Water Storage Investment Program where the district has applied for partial funding for the Pacheco Reservoir project. Another exception is the Proposition 1E Stormwater/Flood Protection grants where the district received significant funding for the Lower Silver Creek and Berryessa Creek Projects.
  - B. All grant programs have requirements that add compliance costs (reporting, labor compliance, etc.) and sometimes necessitate changes to district policies.
  - C. Proposition 1 Integrated Regional Water Management (IRWM) grants require the project include a water supply benefit.
2. To maximize opportunities for grant funding would require the district to:
  - A. Be more proactive in working with statewide revenue bond proponents to:
    - (1) include funding for the district's high priority projects/project types
    - (2) include funding requirements that would make the district more competitive such as: separate funding for disadvantaged communities or change disadvantaged community definition to be based on local median household income and not statewide median household income, separate funding for areas with drinking water quality problems and groundwater overdraft
    - (3) strategize whether fewer but larger grant amounts would favor district priorities
    - (4) require projects to be in an Integrated Regional Water Management Plan (IRWMP)
  - B. Be more proactive in working with agencies who are disbursing grants when they are creating their application solicitation packages
    - (1) Encourage fewer, but larger funding rounds
    - (2) Defer to local priorities in the IRWMPs
    - (3) Make sure timelines line up with schedules for district projects
  - C. Have resources dedicated to tracking and applying for funding opportunities
    - (1) be strategic in figuring out how to make projects competitive for different funding opportunities
    - (2) have expertise in preparing grant funding applications
    - (3) strategic in leveraging funding sources (local, state, and federal)
    - (4) knowledge of opportunities and constraints with different District funds (Water Utility, Safe Clean Water, etc)



## FY 2018-32 Planned Subventions Reimbursement Schedule

Reimbursements for Current Projects (\$K)		Agency	Actuals	Planned							Total	
			Thru FY16	FY17	FY18	FY19	FY20	FY21	FY22	Future		
26154001s	Guadalupe River–Upper, I-280 - Blossom Hill Rd.	State Subventions	13,585	7,189	4,500	5,800	7,700	2,000			0	40,774
26174041s	Berryessa Ck, Calaveras Bvd to I-680	State Subventions	0	236	2,890	3,558					0	6,684
40264008s	Lwr Silver Ck, I-680 to Cunningham, Rchs 4-6	State Subventions	6,264	1,258	0	865					0	8,387
50284010	Llagas Ck–Lwr, Capacity Restoration	State Subventions	120	0	5,000						0	5,120
26174051s	Llagas Creek–Upr, Buena Vista to Wright	State Subventions	6,089	4,984	5,773	9,180	10,858				0	36,884
<b>State Subventions Reimbursements from Current Projects</b>			<b>26,058</b>	<b>13,667</b>	<b>18,163</b>	<b>19,403</b>	<b>18,558</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>97,849</b>

### Current Outstanding DWR Subvention Claims

Project	as of 10/12/17
Lower Silver	468,584
Upper Guadalupe	750,750
Upper Llagas	10,320,715
<b>TOTAL</b>	<b>11,540,049</b>





Committee: CIP  
Meeting Date: 11/27/17  
Agenda Item No.: \*4.2  
Unclassified Mgr: C. Hakes  
Email: [chakes@valleywater.org](mailto:chakes@valleywater.org)

## COMMITTEE AGENDA MEMO

**SUBJECT:** Update on Rinconada Water Treatment Plant Reliability Improvement Project and the Rinconada Water Treatment Plant Residuals Management Project.

**RECOMMENDED ACTION:**

Receive information and provide feedback on:

- A. Rinconada Water Treatment Plant Reliability Improvement Project; and
- B. Rinconada Water Treatment Plant Residuals Management Project.

**SUMMARY:**

At the March 28, 2017 meeting, the Board of Directors approved revising the CIP Committee's purpose to also include monitoring progress of some key projects in the CIP. This agenda memorandum contains information on progress of some key projects in the CIP that were identified by the CIP Committee.

Rinconada Water Treatment Plant Reliability Improvement Project

As first reported to the Board in CEO Bulletin January 6-12, 2017, the District's Contractor, Balfour Beatty Infrastructure, Inc. (BBII) is behind schedule in completion of the second phase of the project. Phase 2 is a major part of the total Project which includes the construction of new Wash Water Recovery Facility, Ozone Contactor Structure, Flocculation and Sedimentation Basins, Raw Water Metering Facility, and Electrical Equipment Pad. The Flocculation and Sedimentation Basins, a new unit process at the plant, will replace the existing upflow clarifiers. Upon completion of Phase 2, BBII will start demolition of the four clarifiers. Completion of Phase 2 was originally scheduled to occur in December 2016, but is currently anticipated to occur in November 2018.

Current delays notwithstanding, significant progress on key elements of Phase 2 work have been made, including 90% completion of all concrete structures including the Wash Water Recovery Facility, the Ozone Contactor, the Flocculation and Sedimentation Basins, the Raw Water Metering Facility, and the Electrical Equipment Pad. Additionally, the majority of the electrical and yard piping work is almost complete.

The District and BBII are currently at an impasse to resolve BBII's claims that they are entitled to compensation for certain Project completion delays. During the past few months there have been formal and Informal hearings on specific delay issues was held with the Project Dispute Review Board (DRB). Recommendations from the DRB are expected within the next four – five weeks. Despite these disputes, the parties all continue to participate in partnering sessions and aim to resolve issues at the lowest possible level.

Rinconada Water Treatment Plant Residuals Management Project

District staff continues to perform immediate term high priority remediation work at the plant to stabilize the performance of the residuals management process and improve its reliability. These activities include troubleshooting problems, acquisition of spare parts, and corrective maintenance activities that are supplemented by external vendors and maintenance and labor service contracts. Activities in progress include

establishing hardwired phone communications to centrifuge control room, centralizing existing control information into the Operators control room, and adding torque monitoring of the gravity thickeners. The control screens are being reconfigured for incorporating additional data and establishing centralized and more comprehensive monitoring and control capabilities of the residuals process.

Last month the Residuals general contractor (Preston Pipelines) addressed several warranty issues at the facility. These include concrete slab repair in belt press building, transformer anchorage, remounting of alarm beacons, corrective work to add backflow prevention on non-potable use line, bring valve stem operator to grade, re-establish vault discharge drainage at lid, replacement of a failed mix pump control display, and replacement of the circuit breaker on centrifuge hydraulic motor.

In October, on-call services contracts were awarded to Monterey Mechanical and Telstar Inc. for maintenance work related to mechanical issues and electrical and control issues, respectively. These services were secured to ensure District has back-up support to keep the existing residuals process up and running if District's in-house resources are not available. In addition, a temporary centrifuge is now available for operation as a back-up, although, it has not been needed to date.

These on-call services may extend over the next few years until the Phase 1 and Phase 2 Remediation Projects can be constructed and brought into operation. The Phase 1 Remediation Project for high-priority remediation measures that require more extensive design efforts, and construction contracting, is being prepared by District staff, and will be ready for construction advertisement and award in Spring 2018.

Phase 2 work represents large scale comprehensive long-term remediation efforts to the solids handling system that will require consultant services. On October 19, staff began negotiations with the top-ranked consulting firm to provide planning and design engineering services. This agreement is anticipated to be brought to the Board for consideration in Spring 2018. The District will have the option to amend the Agreement for construction and post-construction (Operational) Engineering support services.

**ATTACHMENT(S):**

None



Committee: CIP  
Meeting Date: 11/27/17  
Agenda Item No.: \* 4.3  
Unclassified Mgr: S. Tikekar  
Email: stikekar@valleywater.org

## COMMITTEE AGENDA MEMO

**SUBJECT:** Report of Bids Received for the Board Room AV Project and Discussion of Alternative Project Features. (S. Tikekar).

**RECOMMENDED ACTION:**

Receive information and provide direction on alternatives that staff will be recommending for Board approval.

**SUMMARY:**

Bids were opened for the Board Room Board Room Audiovisual Modernization Project on November 8, 2017. The apparent low Bid was submitted by Conti Corporation of Sacramento, CA.

Contractors were required to submit bid prices for all six Bid Options. The District may choose to award any one of the following Bid Options:

- Bid Option 1. - Boardroom (room A-120) and Prefunction Lobby (room A-107), Free-standing flat screen monitors facing the boardroom dais (room A-120).
- Bid Option 2. - Boardroom (room A-120) and Prefunction Lobby (room A-107), Flat screen monitors on the boardroom dais (room A-120).
- Bid Option 3. - Boardroom (room A-120) and Prefunction Lobby (room A-107), Free-standing flat screen monitors facing the boardroom dais (room A-120). Chambers Conference Room (A-124) and Chambers Lobby (A-126).
- Bid Option 4. - Boardroom (room A-120) and Prefunction Lobby (room A-107), Free-standing flat screen monitors facing the boardroom dais (room A-120). Chambers Conference Room (A-124) and Chambers Lobby (A-126), and Chiefs Conference Room (A-173).
- Bid Option 5. - Boardroom (room A-120) and Prefunction Lobby (room A-107), Flat screen monitors on the the boardroom dais (room A-120), Chambers Conference Room (A-124) and Chambers Lobby (A-126).
- Bid Option 6. - Boardroom (room A-120) and Prefunction Lobby (room A-107), Flat screen monitors on the the boardroom dais (room A-120), Chambers Conference Room (A-124) and Chambers Lobby (A-126) and Chiefs Conference Room (A-173).

Table 1 below presents a comparison of the Bid Options.

Table 1: Bid Options

Option	Boardroom & Prefunction	Monitors	Chambers Conference Room & Lobby	Chiefs Conference Room	Cost
1.	Yes	Free-standing	No	No	\$506,443
2.	Yes	Dias	No	No	\$501,521
3.	Yes	Free-standing	Yes	No	\$522,776
4.	Yes	Free-standing	Yes	Yes	\$535,553
5.	Yes	Dias	Yes	No	\$517,854
6.	Yes	Dias	Yes	Yes	\$530,631

**ATTACHMENT(S):**

None





Committee: CIP  
Meeting Date: 11/27/17  
Agenda Item No.: \*4.4  
Unclassified Manger: K. Oven  
Email: koven@valleywater.org

## COMMITTEE AGENDA MEMO

**SUBJECT:** FY 2017-18 Consultant Agreements and Amendments to Existing Consultant Agreements.

### RECOMMENDED ACTION:

Receive information on upcoming consultant agreements and/or amendments that staff will be recommending for Board approval.

### SUMMARY:

At the March 28, 2017 meeting, the Board of Directors approved revising the CIP Committee's purpose to include monitoring implementation progress of key projects in the CIP. Consistent with this, the Committee has requested that staff provide regular updates on new consultant agreements and planned amendments to existing consultant agreements.

Staff anticipates recommending Board approval of three (3) consultant agreement amendments within the next few months. A brief description of these recommended amendments are as follows:

1. **Expedited Purified Water Program.** On October 10, 2017, the Board directed staff to proceed with a Public-Private Partnership (P3) delivery method for the Purified Water Program (Program). More specifically, a Design-Build-Finance-Operate-Maintain (DBFOM) P3 approach will be implemented for the Program.

Two amendments to existing consultant agreements related to the Program will be recommended for Board consideration and approval. The amendments will allow the consultants to continue providing financial expertise and program management support as the Program delivery moves forward. The two recommended amendments are:

- a. Financial Advisory Services Agreement. This agreement provides financial advisory services by the Public Resources Advisory Group (PRAG) as the prime, and Clean Energy Capital (CEC) as a subconsultant, for services related to the Expedited Purified Water Program and other advisory services as directed by the District. Staff will recommend that the amended term of this agreement be extended through 2025 to support the District's development and negotiation of a P3 contract, and its execution through project design, construction, and startup of operations.
- b. Program Management Services Agreement. This agreement with HDR, Inc. originally provided for project management services for the development of the Program. The amended agreement term would be extended by three years to March 2021. This would allow HDR to continue providing program management services through the P3 Request for Proposal process and the negotiation period for the P3 Water Services Agreement. Key expertise and support services would include:
  - i. Procurement process for P3 entity: assist with confirming qualifications of short-listed firms; risk analysis to define and propose risk allocation between the District and P3

entity; development of performance requirements for the treatment technology, conveyance systems and other elements of the Program; defining operational parameters and conditions; assisting with evaluation of proposals; and supporting the District in contract negotiations with the selected P3 entity.

- ii. California Environmental Quality Act (CEQA) Compliance: To be eligible for grant funding [and other low-interest financing programs such as Water Infrastructure Finance and Innovation Act (WIFIA)], it is essential that CEQA assessments and documentation be completed as early as possible. HDR will oversee the work of the environmental services consultant; will provide engineering support to develop the project description; and will provide other assistance as needed to facilitate timely completion of the environmental documents.
- iii. Memorandum of Understanding (MOU) with City of San Jose: HDR has supported the District's efforts to attain an MOU for the Program for the past two years, and will continue to provide technical assistance to address and resolve land availability, treated wastewater flow, RO concentrate discharge management, and other issues.
- iv. Other Support: A variety of other services may be required including independent cost validation, scheduling analysis, and permitting evaluations.

2. **Construction Management Services for Construction of Anderson, Calero, Guadalupe and Almaden Dam Retrofit/Improvement Projects.** Four dam retrofit/dam improvement projects are currently in the Design phase of project delivery. Construction for these four projects is anticipated to begin in 2020 and continue through most of the decade. Black & Veatch, Inc. has been providing Project Management (PM) Services for the Anderson Dam Seismic Retrofit since 2012. In the ensuing years, at the District's request, and as allowed by the terms of the PM Agreement, Black & Veatch has provided project management services to the other three dam projects as well.

Due to the size and complexity of each dam retrofit/improvement project, the District will have to secure consultant services for construction management, inspection, material testing, and environmental compliance as each project moves to the construction phase.

Prior to recommending Board approval for construction management services for the subject projects, staff is investigating the merits and cost of an alternative to the traditional contracting model to acquire these services.

As such, staff is exploring amending the existing Black & Veatch PM Agreement to extend project management services into construction. This would include tasks such as contract administration, scheduling, cost estimating, and document control services for all four dam construction contracts—services similar to that Black & Veatch is currently performing for the planning and design phases.

If the Black & Veatch PM Agreement is amended in this fashion, a separate Construction QA/QC consultant agreement would be developed for each project's construction phase via a competitive process. The Construction QA/QC services would cover construction inspection, quality assurance, material testing and environmental compliance. Services performed by each Construction QA/QC consultant would be performed in coordination with services performed by Black & Veatch as the Project Manager.

The Construction QA/QC consultant agreement fees would range from 70%-80% of a standard construction management (CM) services agreement. Black & Veatch's Project Management Services During Construction fees would range from 20%-30% of a standard CM agreement.

Staff is exploring this approach to optimize both the quality and cost-efficiency of managing the four upcoming dam construction contracts. The key benefits of this approach are 1) continuity between planning, design and construction phases of each project, particularly knowledge of project risks and risk management; 2) continuity of approach to construction administration among the four contracts; 3) benefit of the expertise developed B & V from managing the project for 7 years; and 4) cost savings based on reduced redundancy.

Although there are benefits of this unique approach to contracting for project management services during construction, there are other considerations in evaluating this option that pertain to the three existing consultant services agreements. With regard to the largest of the four projects, the seismic retrofit of the Anderson Dam, the Project Management, Design, and Planning agreements all have provisions restricting each firm from performing any services that are to be done by other firms; each of the four consultants are to be totally unique and separate: planning, design, construction management, and project management. As a result, the addition of project management services during construction must fully contemplate which services may be added via contract amendment.

Staff will continue to evaluate options for procuring and securing construction management services for the four dam projects.

Table 1 presents construction cost estimates for each of the four dam projects and the anticipated breakdown of fees for Black & Veatch's Project Management During Construction, and fees for a third-party QA/QC Consultant.

**Table 1. Breakdown of Fee Estimates for Consultant Structure During Dam Projects' Construction**

<b>Dam Retrofit or Improvement Project</b>	<b>Estimated Total Construction Contract Cost</b>	<b>Black &amp; Veatch Project Management During Construction Anticipated Fees</b>	<b>Third-Party Construction QA/QC Consultant Anticipated Fees</b>
Anderson	\$400 M	\$10 M	\$23 M
Calero	\$80 M	\$3.5 M	\$8 M
Guadalupe	\$80 M	\$2.6M	\$6 M
Almaden	\$50 M	\$2.1 M	\$5 M
<b>TOTAL</b>	<b>\$610 M</b>	<b>\$18.2 M</b>	<b>\$42 M</b>

Staff has been actively monitoring and managing the consultants' performance to meet the goals and terms of the agreements. Monthly design meetings and frequent technical discussions are held with the consultants to assess task progress. All three consultants have completed the predefined scope of service of their agreements within their approved not-to-exceed fee. The above-described amendments do not include work already included in the original scopes. There is no portion of project scope or funding not completed in the original agreements that is now included in these amendments.

**ATTACHMENT(S):**

None.



## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE Updated: 10/20/17

The CIP Committee was enacted by the Board on January 24, 2012. It purpose was initially defined by the Committee on April 17, 2012 and revised on March 10, 2017. On March 28, 2017 the Board of Directors approved the Committee's revised purpose as follows: *The CIP Committee is established to provide a venue for more detailed discussions regarding capital project validation, including recommendations on prioritizing, deleting, and/or adding projects to the CIP, as well as monitoring implementation progress of key projects in the CIP.*

The CIP Ad Hoc Committee defined its priorities in fulfilling its purpose during its March 11, 2016 meeting, as follows:

Priority	Subject	Details	Desired Outcome
1	Prioritization	<ul style="list-style-type: none"> <li>Priority criteria process</li> <li>Representation of under-represented areas</li> </ul>	Hold a daytime, single-focus, Board work study session on CIP prioritization and funding combined.
2	Funding	<ul style="list-style-type: none"> <li>Funding unfunded, high priority projects</li> <li>Holding encumbered, approved project funds in reserves and how this is communicated to the Board and public</li> </ul>	
3	Permitting	<ul style="list-style-type: none"> <li>Changing the strategy for managing permitting issues</li> <li>Changing the "Kill the Goose" regulatory agency strategy</li> <li>Informing the public of regulatory impacts on ability to perform projects</li> </ul>	Hold permitting strategy discussion with the Board, including engagement of Board members in regulatory issues.
4	Resources	<ul style="list-style-type: none"> <li>Analysis of staff vs. consultant work</li> <li>Identifying where in the staffing plan it becomes more efficient to hire and develop employees vs. executing contracts with external consultants</li> </ul>	Conduct staff vs. consultant resource cost and benefit analysis reviews with the CIP Ad Hoc Committee, prior to recommending the Board approve large dollar value consultant agreements to the Board.

The Board of Directors further identified the following Issues/Challenges, and desired Board Discussion Outcomes, during their October 4, 2016 Priorities and Strategic Directions Work/Study Session, and referred to the CIP Ad Hoc Committee to develop Strategies/Opportunities for the following:

Issue/Challenge	Board Discussion Outcomes
Regulatory Permits and individual agencies exceeding statutory authority limits.	Use Board members' political connection w/communities they represent and local/state/federal elected officials to resolve project issues, such as permits/funding. Leverage Board connections and leave the politics to the Board. Specific suggestions are: <ul style="list-style-type: none"> <li>Communication of staff (including legal) to Board on status of permits, federal funding, etc.;</li> <li>Communication with stakeholders for their support of regulatory permits/issues;</li> <li>Encourage staff to have dialogue with Board members during the planning of public meetings so all interested groups can be notified;</li> <li>Continue to meet with local/federal delegation; and</li> <li>Continue to have ceremonies for completed projects (elected officials).</li> </ul>
Projects do not have consistent criterion of sensitive design that has art form and function.	Committee should evaluate ways of addressing environmental justice and sensitive design and bring back to the Board for discussion.
Slow/No progress on fish barrier removal projects. Environmental Stewardship is a "step child," should be equal. Funding competition for Stream Stewardship funds.	Committee to discuss issue/challenge and provide recommendations to the Board.

Additionally, during the March 28, 2017 meeting, the Board requested the Committee identify and bring back information on projects they see as being potentially at-risk, or as having the potential for problems that the Board should be aware of.

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion. Subsequently, an annual committee accomplishments report is developed based on the work plan and presented to the District Board of Directors.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

### PARKING LOT ITEMS:

DATE LISTED	TOPIC (WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY)	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
9/18/17	Explore Developer Impact Fees			

### COMMITTEE WORKPLAN:

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
<del>11/13/17</del> 11/27/17 12:00 PM	Approval of Minutes: 10/18/17  Water Utility Capital Project Funding (Alternate funding mechanisms) *Continued from 10/09/17	N. Dominguez  N. Nguyen C. Hakes D. Taylor	Approve minutes.  Study feasible alternate funding sources other than water charges  Formulate recommendation to the Board	
	Update on Rinconada Water Treatment Plant Reliability Improvement Project – Residuals	C. Hakes	Receive information and provide feedback on next steps.	
	Report of Bids Received for the Board Room AV Project and Discussion of Alternative Project Features.	S. Tikekar	Receive information and provide direction on alternatives that staff will be recommending for Board approval.	
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	December 11, 2017

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
12/11/17 10:00 AM	Approval of Minutes, 11/13/17	M. Meredith	Approve minutes.	
	2019-23 Preliminary CIP	B. Redmond	Review staff proposed preliminary project lists.	
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	January 8, 2018



## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

### 2017 ACCOMPLISHMENTS

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
01/30/17	Election of Chair and Vice Chair	M. Meredith	Elect Committee Officers 1. Chair 2. Vice Chair	Elected as follows: Chair – N. Hsueh Vice Chair – T. Estremera
	Approval of Minutes, 12/15/16	M. Meredith	Approved minutes.	Approved
	Water Utility Capital Project Prioritization.	C. Hakes	Review and discuss Water Utility capital Program, provide direction on project refinements or modifications to be incorporated into Draft/Final FY18-22 CIP.	<ul style="list-style-type: none"> <li>Break down EAPW Program in FY18-22 CIP so funding for EAPW Project is separated from EAPW Expansion;</li> <li>Refer to RWC for feedback on timelines for implementation of the EAPW Expansion Project</li> <li>Bring EAPW Expansion discussion back to full Board;</li> <li>Prepare scenario where Winfield Project is deferred to future and funding is shifted back to General Funds.</li> </ul>
	Review Committee Work Plan	Committee	Establish Agenda Topics for Next Meeting(s)	Schedule 2/27/17 meeting, agendize Watershed Streams Stewardship Funding and staff presentation on Almaden Lake Separation Project, including issues raised by McMurtry/Poeschel.
	Next Meeting Date	Committee	Establish Next Meeting Date(s)	February 27, 2017



## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
02/27/17	Approval of Minutes, 01/30/17	M. Meredith	Approved minutes.	Approved as amended.
	Watershed Stream Stewardship Funding.	N. Nguyen	Review and discuss the Watershed Capital Program; and Provide direction for project refinements or modifications to be incorporated into the Final FY 2018-22 CIP.	Staff to come back with a complete list of unfunded Watershed Capital Projects, identify those waiting for planning/feasibility study to be completed vs. those that are ready to move forward but have no identified funds, and add on old projects such as the Mid-Coyote Creek and Rock Springs; and identify projects for Governor's \$1.5 billion funding.
	Alternative Analysis for Almaden Lake/Creek Separation Project	N. Nguyen	Receive information on the Almaden Lake Improvements Project water options.	
	Response to Letter from Mr. Richard McMurtry, dated January 28, 2017, and Submitted to the Committee on January 31, 2017 as Handout 2-A.	G. Hall	Receive information from staff and discuss an approach for addressing the various requests from stakeholders for fish habitat improvement projects into the CIP.	Staff is to come back with discussion to develop a process/approach for addressing requests from stakeholders, and advise Mr. Holmes of internal process and steps involved in qualifying a project for the preliminary CIP.
	Discuss Committee Purpose	Committee	TBD	Staff is to prepare a Board item regarding new purpose and name change for Board consideration.
	Review Committee Work Plan	Committee	Establish Agenda Topics for Next Meeting(s)	Schedule 03/10/17 10am meeting for discussion of Committee Work Plan
	Next Meeting Date	Committee	Establish Next Meeting Date(s)	03/10/17 10:00 a.m.
	Committee Work Plan	Committee	Discuss 2017 Work Plan	Discussed and established discussion schedules for 2017
	Next Meeting Date	Committee	Establish Next Meeting Date(s)	Established regular monthly meeting schedule, 2 <sup>nd</sup> Mondays of Month, 10am – 12pm. Rescheduled next meeting from 4/17/17 1pm to 4/10/17 10am.
	3/10/17			

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
04/10/17	Approval of Minutes, 02/27/17, 03/10/17	M. Meredith	Approve minutes.	Approved. Staff to prepare/publish to District website, response to questions raised by Mr. McMurtry
	Status of Rock Springs Flood Risk Reduction Study (2012 SCW Program) and Mid-Coyote Creek from Montague Expressway to Hwy 280 (2000 CSC Program)  <i>*Assigned at 2/28 Board meeting, Board Agenda Item 6.1</i>	N. Nguyen/ V. Gin	Receive a status on the Rock Springs Flood Risk Study and Mid Coyote Creek Projects  Discuss Strategies  Formulate recommendation to the Board  <i>*Staff to provide large map showing street names, Coyote Creek, identification of various neighborhoods, and project impact areas.</i>	Staff to improve District web site to make is easier for public to find flood info, including real time storm data  Staff is to continue working with the City of San Jose to develop an Emergency Action Plan  Staff is to complete Rock Springs Study and bring to full Board, a report on immediate, intermediate and long term flood protection measures for Coyote Creek, including investigation of conversion of upstream parks to detention basins  Committee recommends Board adopt resolution setting time and place of a SCW public hearing to change control process; Hold public hearing/consider modifying Coyote Creek Flood Protection Project to extend boundary to include Rock Springs and propose KPIs to align with project revisions; and authorize Chair Hsueh and M. Richardson to provide oral report to Board.
	Capital Project Consultant Agreements <i>*Assigned at 2/28 Board meeting</i>	K. Oven, A. Comelo	Identify Board issues regarding Capital Project Consultant Agreements.	Continued to 6/12/17 and staff requested to come back with information that clarifies organization decision making regarding consultants; explains development of scope of work and agreement negotiation; and explains ongoing management and administration of consultant agreements.
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	Added discussion on Owner Controlled Insurance Programs to 5/8/17 meeting.
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	5/8/17 start time changed to 9:30 a.m.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
05/08/17 9:30 a.m.	Approval of Minutes, 04/10/17	M. Meredith	Approve minutes.	Approved
	Watershed Capital Projects Funding (Flood & Stewardship) <i>*Continued from 2/27/17</i>	N. Nguyen	Analyze funding requirements for Capital Projects funded by stream Stewardship Fund (12) and SCW/CSC Fund (26)  Identify funding issues  Formulate recommendation to the Board	Continued to 06/12 with information on: 1) Coyote, Stevens Creek, Guad River, and others to consider identifying projects for FAHCE funding; 2) \$62 million unencumbered SCW funds and funding recommendations; 3) list of Watershed Capital Projects not funded through construction; 4) list of unfunded Watershed Capital Projects where commitments for completion have been made.
	Owner Controlled Insurance Programs (OCIP)	D. Cahen	Show cost reduction	Committee requested staff continue to identify/analyze pros & cons of OCIPs and bring discussion back when opportunities arise to consider recommendations on alternatives for specific projects.
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	Revised 06/12/17 meeting to include continued discussion of Watershed Capital Projects Funding; and revise Capital Project Consultant Agreements discussion to include a list of foreseeable amendments to existing Capital Project consultant agreements, including two amendments in progress for the Anderson and Calero Dams Seismic Retrofit Projects and a copy of the Consultant Contract Management Process Audit prepared for the District by Navigant, on March 10, 2015.
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	06/12/17 10:00 a.m.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
06/12/17 10:00 AM	Approval of Minutes, 05/08/17	M. Meredith	Approve minutes.	Approved as revised.
	Watershed Capital Projects Funding (Flood & Stewardship) <i>*Continued from 5/8/17</i>	N. Nguyen	<p>Provide Information on:</p> <ul style="list-style-type: none"> <li>Coyote, Stevens Creek, Guad River, and other projects to consider identifying and making recommendations to the Board on projects for FAHCE funding;</li> <li>The \$62 million unencumbered SCW funds and funding recommendations;</li> <li>Watershed Capital Projects not funded through construction; and</li> <li>Unfunded Watershed Capital Projects where commitments for completion have been made.</li> </ul>	<p>The Committee identified priorities; suggested Redevelopment Agency, FAHCE; Open Space Credit reduction, and SCW D4, D6, or D7 as alternate funding sources; and requested: Additionally, the Committee made the following requests of staff: 1) approach County re: estimated future RDA Successor County re: come back with number of parcels to be protected by the Lower &amp; Upper Berryessa Projects; 3) come back with proposals to reduce Open Space Credit; 4) come back with impacts of not undertaking East Little Lajas Project; 5) come back with info on activities included and schedule for \$140M estimated for FAHCE implementation; 6) investigate opportunities to complete Attachment 2, Lines 15,16 as part of Upper Penitencia Coyote to Dorei; and 7) investigate possibility of FAHCE funding for Attachment 2 Line 7. Continued to 7/10/17 meeting.</p>
	Capital Project Consultant Agreements <i>*Continued from 4/10/17,</i>	K. Oven, A. Cornelo	<p>Analyze and discuss identified issues; Receive information requested during 4/10/17 and 5/8/17 meetings:</p> <ul style="list-style-type: none"> <li>Clarify organization decision making regarding consultants</li> <li>Explain development of scope of work and agreement negotiation</li> <li>Explain ongoing management and administration of consultant agreements;</li> <li>Provide list of foreseeable amendments to existing Capital Project consultant agreements, including Anderson and Calero Dam Seismic Retrofit Projects; and</li> <li>Provide a copy of Consultant Contract Management Process Audit prepared by Navigant March 10, 2015.</li> </ul> <p>Formulate recommendation to the Board</p>	<p>Received briefing on amendments planned for 07/11/17 Board mtg, re: Anderson and Calero Dam Seismic Retrofit Projects; requested that staff include in future Consultant Amendment Board items confirmation the amendment does not include work already scoped in original agreement, detail on why amendment is necessary, info on whether consultant or contractors carry responsibility for amendment need, and info on portions of the project scope or funding not completed in original agreement and rolled into amendment; refer the Navigant Consultant Contract Management Process Audit to the Board Audit Committee; and advise the Board of the Committee's referral of the audit.</p>
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	No action.
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	July 10, 2017

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
07/10/17 10:00 AM	Approval of Minutes, 06/12/17  Watershed Capital Projects Funding (Flood & Stewardship) *Continued from 6/12/17	M. Meredith  N. Nguyen	<p>Approve minutes.</p> <p>Provide Information on:</p> <ul style="list-style-type: none"> <li>Information on Redevelopment Agency, Open Space Credit Reduction, and SCW D4, D6, and D7 funding opportunities;</li> <li>Implications associated with not completing the East Little Liagas Project;</li> <li>Information on FAHCE funding Opportunities for the Almaden Lake Separation Project; and</li> <li>Information on FAHCE funding, geomorphic bank stability, and conservation of habitat land opportunities associated with the Upper Penitencia Creek (Coyote Confluence to Dorel Dr.) Project.</li> </ul>	<p>Approved with amendment.</p> <ol style="list-style-type: none"> <li>Received info on RDA, OSC &amp; FAHCE funding;</li> <li>Confirmed Coyote Creek (Montague to Tully), Almaden Lake, Ogier Pond, Metcalf Pond, and Stevens Creek Fish Barrier Improvements as priority unfunded projects for staff to seek funding alternatives for;</li> <li>Expressed support for tiered OSC reductions and requested staff come back with info on whether OSC reductions could fund projects;</li> <li>Requested staff investigate project components qualifying for FAHCE and seek FAHCE partner concurrence; and</li> <li>Continued to 9/11/17 meeting.</li> </ol> <p>Staff also confirmed investigating whether SCW could fund projects w/mercury issues.</p>
	Peoplesoft Upgrade Assessment Study: Findings and Recommendations	A. Tikekar	<ul style="list-style-type: none"> <li>Receive &amp; discuss info on Consultant recommendation to go out to bid for a new ERP solution; and</li> <li>Formulate recommendation re Peoplesoft Upgrade Assessment Study.</li> </ul>	<p>Approved recommending that the Board support consultant recommendations to go out to bid for a new ERP solution.</p>
	Review Committee Work Plan	Committee	<p>Confirm Agenda Topics for Next Meeting(s)</p>	<p>Removed Item 6, Coyote Creek (discussed 4/10/17) from the 8/14/17 meeting date and directed staff to:</p> <ul style="list-style-type: none"> <li>Provide update on items 7 &amp; 8 for current FY &amp; include info requested by Dir. LeZotte during 6/12/17 mtg (Mins Pg 3);</li> <li>Present Item 9 first (Monitoring of Maint of CIP Project Mitigation Commitments);</li> <li>Add presentation on RWTP Residuals Mgmt Project; and</li> <li>Add presentation on HQ Op (Maint) Bldg.</li> </ul>
	Next Meeting Date	Committee	<p>Confirm/Adjust Next Meeting Date(s)</p>	<p>Authorized staff to reschedule 9/11/17 meeting to 9/18 or 9/25/17, if addl time was needed to complete analysis on Watersheds Projects Funding.</p>



## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
08/14/17 10:00 AM	Approval of Minutes, 07/10/17	M. Meredith	Approve minutes. Receive information on: 1. Monitoring of maintenance of CIP project mitigation commitments 2. *Winfield Warehouse project 3. HQ Operations (Maintenance) Bldg; 4. RWTP Residuals Mgmt Project; 5. *Watershed-wide regulatory planning and permitting 6. *Anderson, Almaden, Chesbro, and Guadalupe Dam Seismic retrofit projects 7. Fishery barrier removal projects 8. FY17-18 new consultant contracts & Planned amendments to existing consultant contracts, including info requested by Dir. LeZotte 6/12/17: a) Confirm amendment does not include work already included in original scope; b) Detail on why amendment is necessary; and c) Info on any portion of project scope or funding not completed in original agreement and now included in amendment at hand. <i>*From Board Budget Message and Strategic Directions</i>	Minutes approved as presented  In regards to Item 4.1, Recommendation B, the Committee made the following requests of staff: <ul style="list-style-type: none"> <li>Follow up on recent Board direction to prepare a letter from Board Chairperson Varela to Santa Clara County Board of Supervisors</li> <li>President Cortese regarding the status of watershed-wide regulatory planning and permitting; and</li> <li>When appropriate, consider facilitating discussion between Board Chairperson Varela and Santa Clara County District 1 Supervisor Wassermann regarding Upper Liagas Creek.</li> </ul> In regards to Item 4.1, Recommendation C, as well as in regards to the CDM Smith and HDR Inc. agreements presented in Item 4.2, the Committee requested that staff be diligent in evaluating issues associated with responsibility, accountability, performance, and costs associated with construction delays.
	Monitor Implementation of 2018-22 CIP <i>*Expanded Committee Purpose 2/27, to be approved by the Board</i>	B. Redmond		
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	The Committee added the following items to the work plan for the next meeting: <ul style="list-style-type: none"> <li>A report on alternative funding sources for District projects; and</li> <li>Discussion on alternative features for the Board Room Audio Visual Project.</li> </ul>
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	September 18, 2017

**2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE**

Updated: 10/20/17

09/18/17 12:30 PM	Approval of Minutes, 08/14/17	M. Meredith	Approve minutes.	Approval of minutes continued to 10/18/17.
	Scenarios for funding priority projects (Coyote Creek- Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements) *Continued from 01/30/17 and 7/10/17	N. Nguyen /C. Hakes	Information on the options for using existing revenue to fund priority projects that are currently partially funded.	<p>The Committee provided direction to staff as follows:</p> <ul style="list-style-type: none"> <li>• Staff to prepare a clarifying statement that Water Utility Funds can be used for environmental projects where a nexus to water rights or water supply issues exist;</li> <li>• Staff to prepare an analysis that includes high, low and mid-range Open Space Credit scenarios;</li> <li>• Staff to revise Attachment 2 to include additional clarifying details about all available funding and the results achieved by each scenario.</li> <li>• Provide information on the expectation of receiving subventions and grants.</li> </ul>
	Report on Alternative Funding Sources for District Projects. Revenue Options Assessment	D. Taylor	Information on feasible alternate funding sources for District projects other than existing tax revenue and water charges.	<p>The Committee provided direction to staff as follows:</p> <ul style="list-style-type: none"> <li>• Staff to take Mr. Statler's presentation to the Water Retailers Committee and receive feedback; and</li> <li>• Staff to explore Developer Impact Fees further, consult with District Counsel, and place the item in the Committee Work Plan parking lot to bring a recommendation back to the Committee at a future meeting</li> </ul>
	Report of Bids Received for the Board Room AV Project and discussion of alternative features.	S. Tikekar	Advice to staff on how to present the Board room AV project alternatives to the full Board.	Item moved to a future meeting.
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	Item re: improvements to the District website for ease of public accessibility to and comprehension of flood information, including real-time data during storm events referred to the Coyote Creek Flood Risk Reduction Ad Hoc Committee.
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	Authorized staff to reschedule meeting of 10/09/17 to 10/18/17.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
10/09/17 10:00-AM 10/18/17 2:00 PM	Approval of Minutes 8/14/17 and 09/18/17	N. Dominguez	Approve minutes.	August 18, 2017 minutes approved; September 18, 2017 minutes approved as amended.
	Scenarios for funding priority projects (Coyote Creek- Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements) *Continued from 01/30/17 and 7/10/17 and 9/18/17	N. Nguyen /C. Hakes	Information on the options for using existing revenue to fund priority projects that are currently partially funded.	The Committee by consensus provided the following recommendations to the Board: 1. Stop all activities related to Upper Penitencia; 2. Use \$8 million from Fund 12 to fund unfunded CIPs instead of funding land preservation under Safe Clean Water Project D7 Partnership; 3. Assume Fiscal Year 2021 Water Utility Enterprise Fund for FAHCE funding will be available; 4. Lower Berryessa, Phase 3: Push design and planning phases out further to show a continuous schedule; 5. Grants: Staff to continue to pursue grant funding; and Pursue additional Open Space Credit.
	Improvements to District Website, Improving Ease of Public Accessibility to, and Comprehension of, Flood Information, including Real-Time Data During Storm Events (Responding to Committee Request of 04/10/17)	M. Grimes	Receive information on to District Website, Improving Ease of Public Accessibility to, and Comprehension of, Flood Information, including Real-Time Data During Storm Events (Responding to Committee Request of 04/10/17)	9/18/17 – Improvements to District Website, Improving Ease of Public Accessibility to, and Comprehension of, Flood Information, including Real-Time Data During Storm Events (Responding to Committee Request of 04/10/17) referred to the Coyote Creek Flood Risk Reduction Ad Hoc Committee.
	FY 2017-18 Consultant Agreements and Amendments to Existing Consultant Agreements.	C. Hakes		Project's permits have yet to be negotiated; however, it would be prudent to move ahead as it was likely there would be some level of fish



## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 10/20/17

				<p>passage included in the Almaden Dam Improvements project.</p> <p>Future Items:</p> <ul style="list-style-type: none"> <li>• Open Space Credit Analysis. (D. Taylor); and</li> <li>• Update on Rinconada Water Treatment Plant Reliability Improvement Project – Residuals.</li> </ul> <p>November 13, 2017 November 28, 2017</p>
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	