



Santa Clara Valley Water District Capital Improvement Program Committee Meeting

Zoom Teleconference

REGULAR MEETING AGENDA

Monday, May 17, 2021
11:00 AM

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

COMMITTEE MEMBERS:

Nai Hsueh, Chair, District 5
Linda J. LeZotte, Vice Chair, District 4
Tony Estremera, District 6

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COMMITTEE LIAISON:

Jessica Collins

COMMITTEE CLERK:

Natalie Dominguez, CMC
Assistant Deputy Clerk II
Office/Clerk of the Board
(408) 265-2659
ndominguez@valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

Santa Clara Valley Water District
Capital Improvement Program Committee
REGULAR MEETING
AGENDA

Monday, May 17, 2021

11:00 AM

Zoom Teleconference

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" tool 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.

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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.

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Join Zoom Meeting:

<https://valleywater.zoom.us/j/94158013374>

Meeting ID: 941 5801 3374

Join by Phone: 1 (669) 900-9128

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

Notice to the Public: Members of the public who wish to address the Committee on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of April 26, 2021 Meeting Minutes.

[21-0399](#)

Recommendation: Approve the minutes.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: 042621 CIP Committee Minutes](#)

Est. Staff Time: 5 Minutes

4. ACTION ITEMS:

- 4.1. Review Capital Project Monitoring - Design and Permitting Report. [21-0545](#)
Recommendation: Receive and discuss information regarding the status of capital projects in the design and permitting phase.
Manager: Rechelle Blank, 408-630-2615
Christopher Hakes, 408-630-3796
Heath McMahon, 408-630-3126
Attachments: [Attachment 1: Design and Permitting Report](#)
Est. Staff Time: 20 Minutes
- 4.2. Anderson Dam Tunnel Project Construction Contract Contingency Sum Delegated Authority. [21-0548](#)
Recommendation: Receive information and discuss delegating authority for the Anderson Dam Tunnel Project change order contingency sum.
Manager: Christopher Hakes, 408-630-3796
Est. Staff Time: 20 Minutes
- 4.3. Receive Information on Consultant Agreement Amendments for Capital Projects. [21-0549](#)
Recommendation: Receive information on consultant agreement amendments for capital projects.
Manager: Heath McMahon, 408-630-3126
Est. Staff Time: 10 Minutes
- 4.4. Review 2021 Capital Improvement Committee Work Plan. [21-0535](#)
Recommendation: Review the 2021 Capital Improvement Program Committee Work Plan and make adjustments as necessary.
Manager: Michele King, 408-630-2711
Attachments: [Attachment 1: 2021 CIP Committee Work Plan](#)
Est. Staff Time: 5 Minutes

5. INFORMATION ITEMS.

6. 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.

7. ADJOURN:

- 7.1. Adjourn to Regular Meeting at 11:00 a.m., on June 21, 2021, to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20.

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Santa Clara Valley Water District

File No.: 21-0399

Agenda Date: 5/17/2021
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Approval of April 26, 2021 Meeting Minutes.

RECOMMENDATION:

Approve the minutes.

SUMMARY:

In accordance with the Ralph M. Brown Act, a summary of Committee discussions, and details of all actions taken by the Capital Improvement Program Committee, during all open and public Committee meetings, is transcribed and submitted to the Committee for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the Committee's historical record archives, and serve as the official historical record of the Committee's meeting.

ATTACHMENTS:

Attachment 1: 042621 CIP Committee Minutes

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

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MINUTES

**CAPITAL IMPROVEMENT PROGRAM COMMITTEE MEETING
MONDAY, APRIL 26, 2021
2:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A regular teleconferenced meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Program Committee (Committee) was called to order at 2:00 p.m., on Monday, April 26 2021, in the District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

1.1 Roll Call.

Committee members in attendance in Conference Room A-124: District 5 Director Nai Hsueh, Chairperson presiding. Committee members attending by videoconference: District 4 Director Linda LeZotte and District 6 Director Tony Estremera, constituting a quorum of the Committee.

Staff members in attendance in Conference Room A-124: Michele King, Clerk, Board of Directors. Staff attending by videoconference: A. Baker, L. Bankosh, S. Berning, W. Blackard, R. Blank, J. Bourgeois, B. Ching, J. Collins. M. Cook, M. Ganjoo, A. Gschwind, C. Hakes. J. Martin, H. McMahon, D. Montenegro, D. Moody, C. Narayanan, L. Orta, N. Pan, S. Peters, M. Potter, M. Richardson, C. Sun, D. Taylor, S. Tippets, K. Wong, B. Yerrapotu and T. Yoke.

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

3.1. Approval of March 15, 2021 Meeting Minutes.

Recommendation: Approve the minutes.

The Committee considered the attached minutes of the March 15, 2021 meeting. It was moved by Director LeZotte, seconded by Director Estremera, and unanimously carried by roll call vote to approve the minutes as presented.

Chairperson Hsueh moved the agenda to Item 4.2.

4. ACTION ITEMS:

- 4.2. Receive Information and Provide Feedback Regarding the Renewed Safe, Clean Water and Natural Flood Protection Program's Proposed Schedule and Funding Allocation Adjustments for Development of the First Five-Year Implementation Plan for Fiscal Years 2022-2026 and Receive an Update on Finance Strategies.

Recommendation: Receive information and provide feedback regarding the Renewed Safe, Clean Water and Natural Flood Protection Program's proposed adjustments for development of the first five-year implementation plan for Fiscal Years 2022-2026; and receive information regarding the potential for financing through the Water Infrastructure Finance and Innovation Act Loan for Safe, Clean Water and Natural Flood Protection capital projects.

Ms. Jessica Collins, Watersheds business Planning & Analysis Manager, reviewed the information on this item, per the attached Committee Agenda Memo, and corresponding presentation materials contained in Attachment 1 were reviewed by staff as follows: Ms. Collins reviewed Slides 1 through 7, Ms. Meenakshi Ganjoo, Program Administrator, reviewed Slides 8 through 15, and Mr. Darin Taylor, Chief Financial Officer, reviewed slides 16 through 27.

It was moved by Director Estremera and seconded by Director LeZotte that the Committee support the proposed adjustments to the Renewed Safe, Clean Water and Natural Flood Protection Program for development of the first five-year Implementation Plan for Fiscal Years 2022-2026 and recommend approval to the full Board.

Chairperson Hsueh offered the following amendment: (1) That the motion include wording that staff focus on moving forward with negotiations with Google on the Sunnyvale East/West Channel project; and (2) that the Safe, Clean Water and Natural Flood Protection Program 5-Year Implementation Plan for Fiscal Years 2022-2026 be forwarded on to the Independent Monitoring Committee for its review.

The motion as amended carried unanimously by roll call vote.

Chairperson Hsueh returned the agenda to Item 4.1.

- 4.1. Review Capital Project Monitoring - Feasibility and Planning Report.

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

Chairperson Hsueh reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachment 1 were reviewed by staff as follows: Mr. Chris Hakes, Deputy Operating Officer, reviewed Items 1 and 2, Mr. John Bourgeois, Deputy Operating Officer, reviewed Item 3, Mr. Heath Mc Mahon, Deputy Operating Officer, reviewed Items 4 through 8, Ms. Bhavani Yerrapotu, Deputy Operating Officer, reviewed Items 9 through 11, Ms. Lisa Bankosh, Assistant Officer, reviewed Items 12 through 14, Ms. Rechelle Blank, Deputy Operating Officer, reviewed Item 15, and Ms. Bankosh reviewed Items 16 through 19.

During the presentation, the Committee requested staff add the following items to the Committee's Work Plan:

- Update on the Upper Penitencia Creek Flood Protection Project;
- Update on the Stevens Creek Fish Ladder;
- Update on the Metcalf Pond Feasibility Study; and
- Update on proposed changes to the Contracts Consultant Agreement Compliance Process and implementation.

4.3. Review 2021 Capital Improvement Program Committee Work Plan.

Recommendation: Review the 2021 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

Ms. Bankosh reviewed the information on this item, per the attached Committee Agenda Memo, and corresponding presentation materials contained in Attachment 1.

Chairperson Hsueh confirmed the addition of the items requested during Item 4.1.

5. INFORMATION ITEMS.

None.

6. CLERK'S REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS AND RECOMMENDATIONS:

Ms. Michele King, Clerk, Board of Directors, reviewed Committee Requests and Recommendations as follows:

In regard to Item 4.1:

That the following items be added to the Committee's Work Plan:

- Update on the Upper Penitencia Creek Flood Protection Project;
- Update on the Stevens Creek Fish Ladder;

- Update on the Metcalf Pond Feasibility Study; and
- Update on proposed changes to the Contracts Consultant Agreement Compliance Process and implementation.

In regard to Item 4.2:

That the Committee supports the proposed adjustments to the Renewed Safe, Clean Water and Natural Flood Protection Program for development of the first five-year Implementation Plan for Fiscal Years 2022-2026 and recommend approval to the full Board, that staff focus on moving forward with negotiations with Google on the Sunnyvale East/West Channel project and that the Safe, Clean Water and Natural Flood Protection Program 5-Year Implementation Plan for Fiscal Years 2022-2026 be forwarded on to the Independent Monitoring Committee for its review.

7. ADJOURN

Chairperson Hsueh adjourned the meeting at 3:25 p.m., to the next regular meeting at 11:00 a.m., on May 17, 2021, to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20.

Michele L. King
Clerk, Board of Directors.

Approved:



Santa Clara Valley Water District

File No.: 21-0545

Agenda Date: 5/17/2021

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Review Capital Project Monitoring - Design and Permitting Report.

RECOMMENDATION:

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

SUMMARY:

The 2021 Workplan for the Board Capital Improvement Program Committee (Committee) includes monitoring of capital projects during all phases of development. Staff will present a list of active projects at each Committee meeting and provide detailed information on those where potential and/or significant issues have been identified. The projects presented for discussion will be organized by phases: feasibility/planning; design and permitting; and construction. Staff will present projects to the Committee for review one phase at a time. Projects currently in the design and permitting phase are being presented at this Committee meeting.

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

ATTACHMENTS:

Attachment 1: Design and Permitting Report

UNCLASSIFIED MANAGER:

Rechelle Blank, 408-630-2615

Christopher Hakes, 408-630-3796

Heath McMahon, 408-630-3126

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Capital Project Monitoring Report - May 2021

Design and Permitting Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	Planned CM Services		
				Internal	External	Combination
<u>Water Supply</u>						
1	91864005	Anderson Dam Seismic Retrofit (C1: Fund Transfer KPI)	In February 2020, FERC ordered Valley Water to implement risk reduction measures to protect the public from the risk of Anderson Dam failure due to seismic activity, and develop and implement necessary avoidance, minimization and mitigation measures. Valley Water created the Anderson Dam Federal Energy Regulatory Commission Order Compliance project (FOCP). The construction improvements necessary to complete the FOCP broad categories of proposed interim risks measures have been grouped into five construction sub projects as follows: Anderson Dam Tunnel, Reservoir & Creek Modifications, Coyote Percolation Dam Replacement, FOCP Cross Valley Pipeline Extension, Coyote Creek Flood Management Measures, and Coyote Creek Stream Augmentation Fish Protection Measure. All other projects are progressing in design while 100% design for the Anderson Dam Tunnel project is complete. To facilitate approval from regulatory agencies Valley Water proposed, FERC and DSOD accepted a phased (Phases 1 ,2 and 3) approval regime for the Tunnel project. Phase 1 work authorization has been received from FERC. On April 27, 2021 the Board approved the construction contract with Flatiron West, Inc for \$161,140,321 for the Tunnel project. Construction work is expected to commence in June for Phase 1. Phases 2 and 3 are expected to be authorized for construction by FERC by July 23, 2021 and August 12, 2021 respectively, following receipt of permits from the various regulatory agencies. The other FOCP projects are also being designed and constructed over the next three to four years. The design for the larger Anderson Dam Seismic Retrofit will continue with the 90% designs expected to complete by Spring 2022			X
2	91894002	Guadalupe Dam Seismic Retrofit - Design & Construct	Preliminary 90% design documentation submitted by consultant in December 2020. Design documentation is under review.			X
3	91324002	Coyote Pumping Plant ASD Replacement	The 30% design has been completed and is under review by USBR. The RFQ for this Design/Build project delivery method is anticipated to be issued in May 2021.			X
4	95084002	10-Yr Pipeline Inspection & Rehabilitation Project (Santa Clara Conduit)	Final design is complete and advertisement for construction bids is scheduled for June 2021. Environmental/biological work continues.	X		
5	26764001	A3: IRP2 Additional Line Valves	Snell Pipeline Valve design is complete. East Pipeline Valve and West Pipeline Valve (downstream of Santa Clara Distributary) designs are underway with 90% documents anticipated for May 2021. West Pipeline Valve (between Rainbow & Mann turnouts) is scheduled for 90% design completion in July 2021.	X		
6	95084002	10-Yr Pipeline Inspection & Rehabilitation Project (Almaden Valley Pipeline Inspection and Line Valve Project)	Design effort is underway with 60% plans scheduled for May 2021.	X		
7	93294058	Rinconada WTP Residuals Remediation Project	Final design has been completed and advertisement for construction bids is planned for Board approval April 27, 2021. Award of construction contract is anticipated in July 2021.	X		
8	91094009	South County Recycled Water Pipeline – Short Term Implementation Phase 1B/2A/1C/2B Project	100% design of plans & specifications is complete. Staff is working to pre-qualify contractors. Governance considerations to be worked out with South County cities/agencies prior to advertising for public bidding.	X		
9	93284013	Santa Teresa WTP Filter Media Replacement Project	Technical Memoranda have been completed. Design effort is underway with 60% progress plans scheduled for June 2021.	X		

Capital Project Monitoring Report - May 2021

Design and Permitting Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	Planned CM Services		
				Internal	External	Combination
10		Water Utility Small Capital Projects	SVAWPC Storage Building - 100% design documents with City of San Jose for review and approval. Anticipate advertisement for construction Summer 2021. Pacheco Electrical System & HVOS Upgrades - Comments received from USBR are being addressed. Final design scheduled for May 2021. Engineer's Report and CEQA documents were presented to Board at the public hearing in February 2021.	X		
<u>Flood Protection</u>						
11	10394001	Palo Alto Flood Basin Tide Gate Structure Replacement	60% design anticipated to be complete by summer 2021. Final design anticipated to be complete by end of 2021 pending receipt of environmental permits. Final CEQA MND was adopted by the Board on April 27, 2021. Aiming to submit permit applications in spring 2021. Staff is coordinating with City of Palo Alto regarding cost sharing on specific project items.		X	
12	26284002	E5: San Francisquito Creek - Upstream of HWY 101	Pope Chaucer design is at 80%; Channel widening design is at 90%; Final EIR was certified in September 2019. SFCJPA is applying for permits in spring 2021; channel widening construction is anticipated in summer 2023 pending receipt of permits; Newell Rd bridge (Palo Alto) construction delayed until 2023, pushing Pope-Chaucer Bridge construction to 2024. SFCJPA and member agencies also looking at additional funding sources to close shortfall.		X	
13	26074002	Other CSC/E2 (Renewed SCW Program): Sunnyvale East and West Channels	Project design is complete. Coordination with Google is ongoing. Google must receive their permits first before Sunnyvale East and West Channels Project can submit permit applications. Project must prepare an addendum to incorporate Google work. Staff is aiming to bring the addendum and agreement with Google to the Board in summer 2021.			
14	26154003	E8: Upper Guadalupe River - SPRR to Blossom Hill Road (Reaches 7-12)	The USACE will be re-evaluating the entire project beginning January 2021 including re-evaluating the project's alternatives and benefit-cost-ratio, with the goal of making the project more competitive for federal funding. The study will take 3 years and is estimated to be completed by January 2024. The Feasibility Cost Share Agreement for the re-evaluation was executed on December 30, 2020. The first study milestone, Alternative Milestone meeting, was held on April 20, 2021.	N/A		USACE construction
15	26174043	Other CSC/E1 (Renewed SCW Program): Coyote Creek - Montague Expressway to Tully Road (for 2017 flood event criteria)	Project transitioned from planning phase to design phase in July 2020. Interviews to hire a design consultant for the two project phases, Phase 1 FOCF Flood Management Measures required for ADTP and Phase 2 Coyote Creek Flood Management Measures for the 2017 flood event criteria, occurred in January 2021. NTP for the consultant is anticipated by late May 2021. 36 out of 38 permissions to enter have been received for Phase 1.		X	
16	26174051 26174052	E6: Upper Llagas Creek, Phase 2B (Portion of Reaches 5 and 8, and Reaches 6, 7B, and 14)	60% design will be completed late spring 2021; at the May 11, 2021 meeting, the Board certified the Final EIR and selected the project to be constructed under KPI #2 of SCW D4; permit applications to be submitted to the resource agencies late spring 2021.			X (2B-TBD)
17	00044026	San Francisco Bay Shoreline, EIA 11 - Alviso Slough to Coyote Creek Bypass (E6: 26444001, 26444002, 26444004)	Reaches 1, 2 & 3 design complete. Reaches 4 & 5 design at 60%. In December 2019, the USACE advertised Reaches 1, 2 & 3 for construction, but had to reject bids because they came in over the acceptable USACE threshold. USACE re-advertised Reaches 1, 2 & 3 for construction on January 22, 2021 and anticipates awarding a late spring construction contract to begin construction in summer 2021.	N/A		USACE construction

Capital Project Monitoring Report - May 2021

Design and Permitting Phase

Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues	Planned CM Services		
				Internal	External	Combination
18	62084001	Watershed Asset Rehabilitation Program (WARP)	Design is underway for the following projects: Erosion repair for Calabazas Creek (Miller Ave. to Bollinger Rd.) and concrete repair for Permanente Creek (Park Dr. to Mountain View Ave.). Interim concrete repair for Piedmont Creek (Roswell Drive to Dempsey Road) was advertised for construction on March 9, 2021 for summer 2021 construction.	X		
19	40174005	Berryessa Creek - Lower Calera Creek	Lower Calera Creek was advertised for construction on January 26, 2021. On April 6, 2021 all bids were rejected and the project was re-advertised for 3 weeks. The new anticipated award date is June 8, 2021 to begin construction in summer 2021.	X		
<u>Water Resources Stewardship</u>						
20	26164001	D6: Hale Creek Enhancement Pilot Study	Plans and specifications are complete. Construction has been pushed from summer 2021 to summer of 2022 due to delay in obtaining all permissions to enter and temporary construction easements.			X
21	26044002	D4/D6 (Renewed SCW Program): SCW Fish Passage Improvements at Bolsa Rd	Internal Valley Water operations staff has requested a project scope revision to add permanent access ramps. As a result, the plans and specifications will be revised to include this work and the construction schedule was revised to start work in summer 2022.			X
22	26044001	D4: Almaden Lake Improvements	60% design will be completed late spring 2021; certification of the Final EIR will be recommended for board action at the May 11, 2021 Board meeting as well as selecting the project to be constructed under KPI #2 of SCW D4; permit applications to be submitted to the resource agencies late spring 2021.	X		

Buildings & IT

No projects to report

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Santa Clara Valley Water District

File No.: 21-0548

Agenda Date: 5/17/2021

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Anderson Dam Tunnel Project Construction Contract Contingency Sum Delegated Authority.

RECOMMENDATION:

Receive information and discuss delegating authority for the Anderson Dam Tunnel Project change order contingency sum.

SUMMARY:

On April 27, 2021, Valley Water's Board of Directors received a report of bids and awarded Contract C0663 for the construction of Anderson Dam Tunnel Project (ADTP), part of the larger Anderson Dam Seismic Retrofit Project (ADSRP) No. 91864005, to Flatiron West, Inc. in the sum of \$161,140,321. The Board of Directors approved a contingency sum of \$40,000,000. The Board took no action to delegate authority to the Chief Executive Officer (CEO) or designee to approve individual change orders up to the full designated contingency amount, and instead directed Valley Water staff to submit this topic for discussion at a CIP Committee meeting.

Project Background

The ADSRP will correct dam seismic deficiencies and meet all current Federal Energy Regulatory Commission (FERC) and California Department of Water Resources, Division of Safety of Dams (DSOD) dam safety design standards.

Valley Water is undertaking the Anderson Dam Federal Energy Regulatory Commission Order Compliance Project (FOCP) as a result of the February 20, 2020 directive from FERC to implement interim risk reduction measures at Anderson Dam. One of those measures is the ADTP.

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

The diversion system, which will consist of a 23-ft diameter, approximately 1,450-ft long tunnel, will be able to pass releases from the reservoir at flow rates up to 2,000 cubic feet per second (cfs). The new outlet structure will be used to control flows through the tunnel, which will go through dissipation chambers and will be discharged into a rip-rap lined channel before entering the Coyote Creek.

Modifications to Coyote Creek just downstream of the base of the dam will be made to accommodate the higher flows from the tunnel.

On April 27, 2021, Valley Water Board of Directors awarded the construction contract to the top-ranked best value proposer, Flatiron West, Inc, in the sum of \$161,140,321. Project construction is due to begin in May 2021 and be completed by the end of December 2023.

Contingency Funds

The Contract award sum for the Project is \$161,140,321. To allow staff to quickly address unforeseen or changed site conditions and other unanticipated occurrences without causing unnecessary delays or consequential costs to the Project, the Board approved a contingency amount of \$40,000,000 (25% of the contract price) for the subject Project:

The recommended contingency amount is based on an estimate of known and unknown risks, such as:

1. Unanticipated variances in quantities and cost of various lump sum items estimated in the Bid Proposal;
2. Differing site conditions;
3. Concealed conditions and/or field conditions that may be different from the baseline or as-built information used in the preparation of Project Contract Documents; and
4. Mandatory coordination processes and consultation regime with regulatory agencies having oversight over the Project, including negotiating phased approval of construction elements.

Based on standard board-approved Valley Water practice, and adding a delegated amount to the Assistant CEO due to the large amount of the contingency individual change orders for this Project would be subject to approval at the following delegated amounts:

Unit Manager: \$100,000

Assistant Operating Officer: \$250,000

Deputy Operating Officer: \$500,000

Assistant Chief Executive Officer: up to half of the total amount of the contingency

Chief Executive Officer: up to the total amount of the contingency

In addition to the known and unknown risks mentioned above and the need for expediently addressing change order work and approvals, construction costs resulting in expending or even exceeding the contingency amount encumbered by the Board, based on additional circumstances may include:

1. Construction delays from the phased approvals from the regulatory agencies FERC and DSOD, described in the April 27 board agenda memo under the subheading "Phased Approvals;"
2. Changes that may be required by the regulatory agencies (FERC and DSOD) as they continue with their reviews of the Contract Documents during the phased approvals; and

3. Changes dictated by the environmental regulating agencies who have not yet issued permits for the Project, as well as based on changed conditions in the field during construction.

Delegated Authority

Based on past Valley Water practice (prior to the District having an Assistant CEO position), individual change orders for a project are generally subject to approval at the following designated amounts:

Unit Manager: \$100,000

Deputy Operating Officer: \$250,000

Chief Executive Officer: up to the total amount of the contingency

These values do vary at the Unit Manager and Deputy level from project to project, however, Valley Water has consistently delegated to the CEO the authority to approve change orders up to the total amount of the contingency. However, the contingency sum for the ADTP is not typical, as it is both the largest Board approved contingency to date and is in excess of the typical 10-15% of the contract value.

The Assistant CEO position was added in 2020 and has not previously been assigned delegated authority on enough projects to establish a pattern.

ATTACHMENTS:

None

UNCLASSIFIED MANAGER:

Christopher Hakes, 408-630-3796

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Santa Clara Valley Water District

File No.: 21-0549

Agenda Date: 5/17/2021

Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Receive Information on Consultant Agreement Amendments for Capital Projects.

RECOMMENDATION:

Receive information on consultant agreement amendments for capital projects.

SUMMARY:

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

At this time, staff would like to inform the Committee of the following consultant agreement amendment for capital projects:

- 1. Amendment No. 1 to Agreement A4144A with Stantec Consulting Services for Project Planning and Design Services on the Rinconada Water Treatment Plant Residuals Remediation Project No. 92394058 (Time Extension) (H. McMahon).**

Staff will recommend CEO approval of a time extension to Agreement A4144 with Stantec Consulting Services to extend its expiration date from June 1, 2021 to July 31, 2022 and include administrative updates. The additional time is necessary for Stantec to perform the Bid and Award Services task for the Rinconada Water Treatment Plant (RWTP) Residuals Remediation Project No. 92394058.

Construction of the RWTP Residuals Remediation Project will correct outstanding operational deficiencies of RWTP's residuals management system and provide infrastructure to effectively process solids.

Staff is currently drafting and negotiating Amendment No. 2 to the Agreement which will add the engineer-of-record construction phase design services and plans to discuss with the CIP Committee next month and then recommend for board approval this summer.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Heath McMahon, 408-630-3126



Santa Clara Valley Water District

File No.: 21-0535

Agenda Date: 5/17/2021
Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM

Capital Improvement Program Committee

SUBJECT:

Review 2021 Capital Improvement Committee Work Plan.

RECOMMENDATION:

Review the 2021 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

SUMMARY:

Work Plans are created and implemented by all Board Committees to increase Committee efficiency, provide increased public notice of intended Committee discussions, and enable improved follow-up by staff. Work Plans are dynamic documents managed by Committee Chairs and are subject to change. Committee Work Plans also serve to assist to prepare an Annual Committee Accomplishments Reports.

Discussion of topics as stated in the Plan have been described based on information from the following sources:

- Items referred to the Committee by the Board;
- Items requested by the Committee to be brought back by staff;
- Items scheduled for presentation to the full Board of Directors; and
- Items identified by staff.

The CIP Work Plan contained in Attachment 1 is presented for the Committee's review to determine topics for discussion in 2021.

Regular monthly meetings are scheduled to occur at 11:00 a.m., on the third Monday of each month or at the call of the Committee Chair.

ATTACHMENTS:

Attachment 1: 2021 CIP Committee Work Plan

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

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CIP Committee 2021 Workplan

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Capital Project Monitoring												
Feasibility/Planning		X		X			X			X		
Design/Permitting		X			X			X			X	
Construction			X			X			X			X
Consultant Agreement Compliance Process			X						X			
Update on RWTP Residuals Remediation Project			X									
Anderson Dam Tunnel Project Contingency Fund Delegated Authority					X							
Planning Updates												
• Upper Penitencia Creek Flood Protection Project							X					
• Stevens Creek Fish Ladder							X					
• Metcalf Pond Feasibility Study							X					
CIP Implementation												
Review Project Delivery Process for Capital Projects												
• O&M Costs (Design) and Readiness Assessment (Construction)			X									
Safe, Clean Water 5-Year Implementation Plan (Adjustments and Financial Overview)				X								
CIP Development												
CIP Planning Process												
• Annual CIP Process and Integrated Financial Planning Calendar Overview										X		
• Committee Review of Initially Validated Projects										X		
• Review Significant Project Plan Updates											X	
Preliminary CIP Review	X											X
Standing Items												
Upcoming Consultant Agreement Amendments	N/A	X	X	X	X	X	X	X	X	X	X	X
Workplan	N/A	X	X	X	X	X	X	X	X	X	X	X
Minutes	N/A	X	X	X	X	X	X	X	X	X	X	X

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