

October 7, 2016

NOTICE OF MEETING – REQUEST FOR RSVPS

Members of the Capital Improvement Program (CIP) Ad Hoc Committee

Director Nai Hsueh, *Chairperson*

Director Tony Estremera, *Committee Member*

Director John Varela, *Committee Member*

And Supporting Staff Members

Norma Camacho, Interim Chief Executive Officer

Leslie Orta, Senior Assistant District Counsel

Melanie Richardson, Interim Chief Operating Officer - Watersheds

Jim Fiedler, Chief Operating Officer – Water Utility

Najon Chu, Interim Chief Administrative Officer

Katherine Oven, Deputy Operating Officer

Ngoc Nguyen, Interim Deputy Operating Officer

Sudhanshu Tikekar, Deputy Administrative Officer

Ravi Submaranian, Deputy Administrative Officer

Chris Elias, Deputy Administrative Officer

Nicole Berrocal, Budget Manager

Beth Redmond, Technical Support Unit Manager

Sami Buglewicz, Administrative Assistant

A meeting of the Santa Clara Valley Water District CIP Ad Hoc Committee will take place at **1:00 p.m. on Monday October 17, 2016**, at the Santa Clara Valley Water District Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Enclosed for your convenience is a copy of the agenda and corresponding materials. Additional materials may be distributed and made available to the public in compliance with the Brown Act, at or prior to the meeting.

Please RSVP at your earliest convenience by calling 408-630-2557 or by email to mmeredith@valleywater.org.

Thank you!

Michelle Meredith

Michelle Meredith
Deputy Clerk of the Board
Santa Clara Valley Water District
Office of Clerk of the Board

enc:

THIS PAGE INTENTIONALLY LEFT BLANK

CAPITAL IMPROVEMENT PROGRAM (CIP) AD HOC COMMITTEE

District 1 Director J. Varela

District 6 Director T. Estremera

District 5 Director N. Hsueh, Chairperson



**AGENDA
CIP AD HOC COMMITTEE**

**Santa Clara Valley Water District Headquarters Building
Conference Room A124
5700 Almaden Expressway
San Jose, CA 95118**

**MONDAY OCTOBER 17, 2016
1:00 PM**

Time Certain:

1:00 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 September 19, 2016

4 Action Items:

- 4.1** Review of Prioritization Criteria for the Fiscal Year 2018-2022 Capital Improvement Program (CIP).
(K. Oven / N. Nguyen)

Recommendation:

- A. Receive a presentation on prioritization criteria for the Fiscal Year 2017-2021 CIP; and
- B. Discuss recommendation(s) to the Board regarding 2018-2022 CIP prioritization criteria.

5. Discussion of Next Committee Meeting Agenda and Schedule

6. Adjourn.

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 Ad Hoc Committee Purpose: The CIP Ad Hoc Committee is established to provide a venue for more detailed discussions regarding capital project validation, as well as recommendations on prioritizing, deleting and/or adding projects to the CIP.

THIS PAGE INTENTIONALLY LEFT BLANK



CAPITAL IMPROVEMENT PROGRAM (CIP) AD HOC COMMITTEE MEETING

MINUTES

**MONDAY, SEPTEMBER 19, 2016
1:00 PM**

(Paragraph numbers coincide with agenda item numbers)

A regularly scheduled meeting of the Capital Improvement Program (CIP) Ad Hoc Committee was held at 1:00 p.m. on September 19, 2016, 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 1 Director John Varela, 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 Rita Chan, Chris Elias, Jim Fiedler, Michelle Meredith, Ngoc Nguyen, Leslie Orta, Katherine Oven, Beth Redmond, Melanie Richardson, and Sarah Young.

2. PUBLIC COMMENT

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

The Committee considered the minutes of the June 25, 2016 meeting. It was moved by Director Varela, seconded by Chairperson Hsueh, and carried that the minutes be approved as presented. Director Estremera was absent.

4. ACTION ITEMS

4.1 DISCUSS RECOMMENDATION(S) TO THE BOARD REGARDING ACCELERATING ENVIRONMENTAL STEWARDSHIP CAPITAL PROJECTS.

Ms. Melanie Richardson, Interim Chief Operating Officer, Watersheds, reviewed the information on this item, per the attached Committee Agenda Memorandum.

Director Estremera arrived.

Mr. Ngoc Nguyen, Interim Deputy Operating Officer, Watershed Design and Construction, confirmed that the legend contained in Item 4.1, Attachment 1, would be revised to reflect blue graphic bars as indicating Construction activities, and orange graphic bars as indicating Design activities, consistent with similar graphs contained in the Fiscal Years 2017-2022 5-Year CIP.

Mr. Nguyen advised the Committee that staff recommended addition of four (4) Full Time Equivalent (FTE) employees within the 2017-18 Fiscal Year, as follows:

- $\frac{1}{4}$ Water Utilities FTE to manage consultant preparation of a feasibility study on creek water utilization in the Almaden Lake Project;
- $\frac{1}{4}$ Watershed FTE, designated at the Senior level, to monitor and assist the City of San Jose on the Singleton Road Bridge Project;
- $\frac{1}{4}$ Watershed FTE, designated at the Senior and Associate levels respectively, and $\frac{1}{4}$ Water Utilities FTE, to manage consultant preparation of a feasibility study on the Ogier Ponds Project;
- $\frac{1}{4}$ and $\frac{1}{3}$ Watershed FTE's, designated at the Senior and Associate levels respectively, and $\frac{1}{4}$ Water Utilities FTE, to manage consultant preparation of a feasibility study on the Metcalf Ponds Project; and
- $\frac{1}{4}$ and $\frac{1}{3}$ Watershed FTE's, designated at the Senior and Associate levels respectively, and $\frac{1}{4}$ Water Utilities FTE, to support planning efforts on the Stevens Creek Fish Passage Project.

Mr. Nguyen advised the Committee that staff recommended the District continue supporting existing City of San Jose efforts on the Singleton Road Bridge Project, including completion of project design by 2017 and securing grant funding for future construction.

Ms. Richardson called the Committee's attention to further analysis on the Singleton Road Project contained in Item 4.1, Attachment 2 and confirmed that although the secondary attachments to Item 4.1, Attachment 2 (Attachments 1 – 3) had not been included in the Committee's packet, analysis found that pursuing an interim solution would escalate the project cost by \$750,000 and cause delays to the project.

Chairperson Hsueh requested that staff continue to monitor the City of San Jose's progress on the Singleton Road Bridge Project, and report back to the Committee in March 2017 with an update.

Director Estremera requested that discussion on the Singleton Road Bridge Project be added to the agenda for the District Board of Director's next joint meeting with San Jose City Council.

Chairperson Hsueh requested further clarification on the scope for the proposed Stevens Creek Fish Passage Project and requested the work be coordinated with the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE).

Mr. Jim Fiedler, Chief Operating Officer, Water Utility, confirmed that on Committee request, staff could bring back an inventory of all Stevens Creek FAHCE Settlement Agreement Projects and their statuses.

Chairperson Hsueh requested that staff prepare a comprehensive report of the District's completed and current efforts regarding environmental stewardship projects at the upcoming joint meeting with GCRDC Board.

It was moved by Director Estremera, seconded by Director Varela, and unanimously carried that the Committee approve staff's recommendations on the aforementioned projects, and direct staff to bring this item for discussion to the full Board of Directors.

4.2 STRATEGIES FOR MANAGING REGULATORY PERMIT CHALLENGES IN DELIVERING CAPITAL PROJECTS

Ms. Richardson, Mr. Nguyen, and Ms. Rita Chan, Assistant District Counsel, reviewed the information on this item, per the attached Committee Agenda Memorandum.

The Committee noted the information, without formal action.

5. DISCUSSION OF NEXT COMMITTEE MEETING AGENDA AND SCHEDULE:

The Committee declared its next meeting would be held on Monday October 17, 2016 at 1:00 p.m., for the purpose of reviewing prioritization criteria for the Fiscal Year 2018-2021 CIP Program.

6. ADJOURNMENT

Chairperson Hsueh adjourned the meeting at 2:20 p.m. to the next meeting on Monday, October 17, 2016, at 1:00 p.m., in the Santa Clara Valley Water District Headquarters Building Board Conference Room A124.

Michelle Meredith
Deputy Clerk of the Board

Approved:

THIS PAGE INTENTIONALLY LEFT BLANK



Committee: CIP Ad Hoc
Meeting Date: 10/17/16
Agenda Item No.: 4.1
Unclassified Manger: Katherine Oven / Ngoc Nguyen
Email: koven@valleywater.org
nnguyen@valleywater.org

COMMITTEE AGENDA MEMO

SUBJECT: Review of Prioritization Criteria for the Fiscal Year 2018-2022 Capital Improvement Program (CIP).

RECOMMENDED ACTION:

- A. Receive a presentation on prioritization criteria for the Fiscal Year 2017-2021 CIP; and
- B. Discuss recommendation(s) to the Board regarding 2018-2022 CIP prioritization criteria.

SUMMARY:

At the March 11, 2016 Committee meeting, the Capital Improvement Program (CIP) Ad Hoc Committee developed its 2016 Work Plan, which identified CIP project prioritization criteria as a subject for future discussion. The Committee specified that discussion of this topic include how projects are distributed around the County.

BACKGROUND:

A separate set of project prioritization criteria has been developed for each category of CIP projects, with the intent of creating a relatively level prioritization across the five categories of projects (Water Supply, Flood Protection, Water Resources Stewardship, Buildings & Grounds, and Information Technology). All of the projects in the CIP, including the unfunded projects, are evaluated and assigned a priority score based on the criteria for their category. Each year, as part of the CIP update process, staff reviews the CIP prioritization criteria and scoring for each project prior to presenting the Preliminary CIP to the Board.

To ensure the CIP is aligned with Board priorities, staff is requesting the CIP Ad Hoc Committee to review the prioritization criteria used in the FY 2017-2021 CIP and to provide input for revising the criteria for the FY 2018-2022 CIP.

ATTACHMENT(S):

- Attachment 1. CIP Priority Criteria (FY 2017-21)
- Attachment 2. Project List by Type and Priority (FY 2017-21)
- Attachment 3. Example Scoring Sheets for Select Capital Projects

THIS PAGE INTENTIONALLY LEFT BLANK

Appendix A - CIP Priority Criteria

WATER SUPPLY CAPITAL PROJECTS Priority Ranking Criteria

Project Name Here

NORMALIZED PRIORITY SCORE = 0
RAW SCORE = 0

PRIMARY OBJECTIVE (75%)	Water Supply (E 2)		0
	A <input type="checkbox"/> <input type="checkbox"/>	Project maintains existing water utility infrastructure or is required to meet the current and future water supply demand, comply with water quality standards or meet other regulatory requirements. I = Impact (H, M, L); P = Probability (H, M, L)	
	B <input type="checkbox"/>	Project increases water supply portfolio, increases operation flexibility, improves maintenance capabilities, adds efficiency, or improves post-disaster reliability of water utility infrastructure [Example: improving the systematic reliability of water utility infrastructure to continually perform during and after a devastating event; improving the systematic flexibility of water utility infrastructure to continually perform during and after a devastating event; improving the systematic flexibility of water utility infrastructure to utilize various source water; or adding redundancy so infrastructure can be taken off-line for maintenance]. (H, M, L)	
C <input type="checkbox"/>	Timing of when project is needed to meet water supply demands, water quality standards, or other regulations. (I = Immediately (0-3 yrs.); S = Short-term (3-5 yrs.); L = Long-term (5+ yrs.))		
COMMUNITY ENGAGEMENT (7.5%)	Social Factor - Check if applicable		0
	<input type="checkbox"/>	Promotes Emergency Recovery	
ENVIRONMENTAL SUSTAINABILITY (7.5%)	Water Quality (E 3.2) - Check if applicable		0
	<input type="checkbox"/>	Promotes drinking water quality	
	Natural Resources Sustainability (E 3.2) - Check all that apply		
<input type="checkbox"/>	Promotes water use efficiency	<input type="checkbox"/>	Promotes energy efficiency or incorporates energy efficient features
<input type="checkbox"/>	Promotes stream management		
COST RECOVERY (10%)	Lifecycle costs are minimized - Check One		0
	<input type="checkbox"/>	Annual cost savings of more than \$500,000	
	<input type="checkbox"/>	Annual cost savings of \$200,000 to \$500,000	
	<input type="checkbox"/>	Annual cost savings of less than \$200,000 (reference ½ PY)	
	Funding Available from Other Agencies - Check One		
<input type="checkbox"/>	Over 50% of project costs available from other agencies		
<input type="checkbox"/>	26% to 50% of project costs available from other agencies		
<input type="checkbox"/>	Up to 25% of project costs available from other agencies		

Appendix A - CIP Priority Criteria

FLOOD PROTECTION PROJECTS Priority Ranking Criteria

PRIORITY SCORE = 0
RAW SCORE = 0

Project Name Here

PRIMARY OBJECTIVE (60%)	<p>Flood Protection (E 3) 0</p> <p><input type="checkbox"/> ^I <input type="checkbox"/> ^P Project restores existing watershed infrastructure to its intended level of flood protection. I = Impact (H, M, L); P = Probability (H, M, L)</p> <p><input type="checkbox"/> Project is a Board or USACE priority, improves watershed infrastructure to achieve the committed level of flood protection, or provides flood protection beyond the level of commitment. (H, M, L)</p> <p><input type="checkbox"/> Timing of when the flood protection benefit will be realized by the community. I = Immediate (0-3 years); S = Short-term (3-5 years); L - Long-term (more than 5 years)</p>
COMMUNITY ENGAGEMENT (10%)	<p>Positive Interaction (E 4) - Check all that apply 0</p> <p><input type="checkbox"/> With the Community <input type="checkbox"/> With other agencies</p> <p>Good Neighbor (E 4) - Check all that apply</p> <p><input type="checkbox"/> Graffiti removal or Prevention Features</p> <p><input type="checkbox"/> Trash removal features (vortex weirs)</p> <p><input type="checkbox"/> Improves aesthetics of project location</p>
ENVIRONMENTAL SUSTAINABILITY (15%)	<p>Ecological Function (E 3.1, 4.1) 0</p> <p><input type="checkbox"/> Project incorporates at least one of the following: removal of fish barrier; structural improvements to fish habitat; inclusion of riparian habitat (planting, setback or protect in place); inclusion of SRA plantings and/or features designed to improve water temperature; improvements to facilitate habitat connectivity, upland habitat and/or wetland habitat protection or preservation; or reduction of hardscape elements.</p> <p>Physical Function (E 3.2)</p> <p><input type="checkbox"/> Project incorporates at least one of the following: a holistic watershed approach; geomorphic design elements; erosion control (sediment source reduction); floodplain connectivity; or protection from sea level rise.</p> <p>Water Quality and Supply (E 3.2)</p> <p><input type="checkbox"/> Project incorporates TMDL improvements or provides opportunity for recharge</p> <p>Trails & Open Space (E4.2, E4.3) - Check all that apply</p> <p><input type="checkbox"/> Project incorporates trail friendly features, provides protection or preservation of open space, or provides/improves Bicycle Commute Route</p>
COST RECOVERY (15%)	<p>Funding Available from Other Agencies - Check One 0</p> <p><input type="checkbox"/> [%] <input type="checkbox"/> ^C 50% or more of project costs available from other agencies % = Percentage of cost provided; C = Confidence Level (H, M, L)</p> <p><input type="checkbox"/> [%] <input type="checkbox"/> ^C 26% to 49% of project costs available from other agencies % = Percentage of cost provided; C = Confidence Level (H, M, L)</p> <p><input type="checkbox"/> [%] <input type="checkbox"/> ^C Up to 25% of project costs available from other agencies % = Percentage of cost provided; C = Confidence Level (H, M, L)</p>

Appendix A - CIP Priority Criteria

WATER RESOURCES STEWARDSHIP PROJECTS Priority Ranking Criteria

PRIORITY SCORE = 0

RAW SCORE = 0

Project Name

PRIMARY OBJECTIVE (55%)	Stewardship Projects		0
	A	<input type="checkbox"/> ^I <input type="checkbox"/> ^P Project restores a previously constructed environmental enhancement so that it can continue to provide the benefits for which it was created or project meets a permit condition/requirement. I = Impact (H, M, L); P = Probability (H, M, L)	
	B	<input type="checkbox"/> Project creates Stewardship features to achieve stewardship commitments. (H, M, L)	
	C	<input type="checkbox"/> Stewardship activities beyond the current commitment. (H, M, L)	
COMMUNITY ENGAGEMENT (15%)	Positive Interaction (E 4) - Check all that apply		0
	<input type="checkbox"/> With the Community	<input type="checkbox"/> With other agencies	
	Good Neighbor (E 4) - Check all that apply		Education Element
	<input type="checkbox"/> Graffiti removal or Prevention Features	<input type="checkbox"/> Promotes water conservation	
	<input type="checkbox"/> Trash removal features (vortex weirs)	<input type="checkbox"/> Promotes stream stewardship	
	<input type="checkbox"/> Improves aesthetics of project location	<input type="checkbox"/> Promotes flood protection	
		<input type="checkbox"/> Promotes Bay protection	
ENVIRONMENTAL SUSTAINABILITY (15%)	Ecological Function (E 3.2) - Check all that apply		0
	<input type="checkbox"/> Fish Barrier Removal / Structural or nonstructural improvement to fish habitat	<input type="checkbox"/> Upland Habitat Protection/Preservation	
	<input type="checkbox"/> Riparian Habitat (planting, setback or protect in place)	<input type="checkbox"/> Wetland Habitat Protection/Preservation	
	<input type="checkbox"/> SRA Plantings or Improved water temperature	<input type="checkbox"/> Hardscape Reduction	
	Physical Stream Function (E 3.2) - Check all that apply		
	<input type="checkbox"/> Holistic Watershed Approach	<input type="checkbox"/> Erosion Control or Sediment Source Reduction	
	<input type="checkbox"/> Geomorphologic Design Elements		
Water Quality (E 3.2) - Check all that apply			
<input type="checkbox"/> Storm Water Treatment (pervious pavement, green roofs, etc.)	<input type="checkbox"/> Hazardous Material Removal (Asbestos, Lead, Hydrocarbons, etc.)		
<input type="checkbox"/> TMDL Improvements			
Trails & Open Space (E3.3) - Check all that apply			
<input type="checkbox"/> Trail friendly features	<input type="checkbox"/> Open Space Protection / Preservation		
<input type="checkbox"/> Provides/Improves Bicycle Commute Route	<input type="checkbox"/> Climate change elements		
COST RECOVERY (15%)	Funding Available from Other Agencies - Check One		0
	<input type="checkbox"/> [%] <input type="checkbox"/> ^C	Over 50% of project costs available from other agencies % = Percentage of cost provided; C = Confidence Level (H, M, L)	
	<input type="checkbox"/> [%] <input type="checkbox"/> ^C	26% to 50% of project costs available from other agencies % = Percentage of cost provided; C = Confidence Level (H, M, L)	
	<input type="checkbox"/> [%] <input type="checkbox"/> ^C	Up to 25% of project costs available from other agencies % = Percentage of cost provided; C = Confidence Level (H, M, L)	

Appendix A - CIP Priority Criteria

BUILDINGS & GROUNDS PROJECTS Priority Ranking Criteria

PRIORITY SCORE = 0

RAW SCORE = 0

Project Name

PRIMARY OBJECTIVE (60%)	Buildings and Grounds (EL 3.4) Impact = ; Probability =		0.00
	A	<input type="checkbox"/> Project maintains or replaces existing building infrastructure to provide continuous housing of existing functions and/or to comply with employer safety standards.	
	B	<input type="checkbox"/> Project enhances building infrastructure to address treatment of staff issues.	
	C	<input type="checkbox"/> Project positions the District to meet projected future space needs.	
COMMUNITY ENGAGEMENT (10%)	Positive Interaction (E 4) - Check all that apply		0.00
	<input type="checkbox"/> With the Community	<input type="checkbox"/> With other agencies	
ENVIRONMENTAL SUSTAINABILITY (15%)	Good Neighbor (E 4) - Check all that apply		
	<input type="checkbox"/> Graffiti removal or Prevention Features		
	<input type="checkbox"/> Trash removal features (vortex weirs)		
	<input type="checkbox"/> Improves esthetics of project location		
	Natural Resources Sustainability (E 3.2) - Check all that apply		0.00
	<input type="checkbox"/> Air Quality & Visibility Improvement	<input type="checkbox"/> Recycled Water, rain water or gray water utilized	
	<input type="checkbox"/> Energy Efficient Features (Lighting, HVAC, maximize daylight use, etc.)	<input type="checkbox"/> Construction Site Waste Management	
	<input type="checkbox"/> Renewable Energy Use	<input type="checkbox"/> Recycle/Re-use Solid Waste	
	<input type="checkbox"/> Water Efficient Features: Plumbing fixtures, Landscaping, etc.	<input type="checkbox"/> Reduce Solid Waste Production	
	<input type="checkbox"/> Use of Recycled or Alternative Building Materials		
Trails & Open Space (E3.3) - Check all that apply			
<input type="checkbox"/> Trail friendly features	<input type="checkbox"/> Open Space Protection / Preservation		
<input type="checkbox"/> Provides/Improves Bicycle Commute Route			
COST RECOVERY (15%)	Funding Available from Other Agencies (Grants & Cost-share) - Check One		0.00
	<input type="checkbox"/> Over 50% of project costs available from other agencies		
	<input type="checkbox"/> 26% to 50% of project costs available from other agencies		
	<input type="checkbox"/> Up to 25% of project costs available from other agencies		

Appendix A - CIP Priority Criteria

INFORMATION TECHNOLOGY PROJECTS Priority Ranking Criteria

PRIORITY SCORE = 0

SCORE = 0

Project Name

PRIMARY OBJECTIVE (90%)	Information Technology (EL 7.5)		Impact = ; Probability =	0.00
	A	<input type="checkbox"/> Project maintains existing mission critical software systems and/or IT infrastructure to improve reliability for business continuity. (H+, H-, M+, M-, L)		
	B	<input type="checkbox"/> Project enhances mission critical software systems and/or IT infrastructure to improve user functionality. (H, M, L)		
	C	<input type="checkbox"/> Project enhances mission critical software systems and/or IT infrastructure to meet projected future needs. (H, M, L)		
	D	<input type="checkbox"/> Ties into IT master Plan finding and/or recommendations (10 pts.)		
COST RECOVERY (10%)	Funding Available from Other Agencies - Check One			0.00
	<input type="checkbox"/>	Over 50% of project costs available from other agencies		
	<input type="checkbox"/>	26% to 50% of project costs available from other agencies		
	<input type="checkbox"/>	Up to 25% of project costs available from other agencies		

Appendix A - CIP Priority Criteria

This page intentionally left blank.