August 11, 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
Melanie Richardson, Interim Chief Operating Officer - Watersheds
Susan Stanton, Chief Operating Officer – Administrative Services
Garth Hall, Interim Chief Operating Officer – Water Utility
Rick Callender, Chief of External Affairs
Darin Taylor, Chief Financial Officer
Katherine Oven, Deputy Operating Officer
Vincent Gin, Deputy Operating Officer
Anil Comelo, Deputy Administrative Officer
Ngoc Nguyen, Interim Deputy Operating Officer
Sudhanshu Tikekar, Deputy Administrative Officer
Christopher Hakes, Assistant Officer
Nicole Berrocal, Budget Manager
Beth Redmond, Capital Program Planning and Analysis Unit Manager

Attached is the Appended Agenda for the Monday August 14, 2017, meeting of the Santa Clara Valley Water District Capital Improvement Program Committee, which is scheduled to be held at 10:00 a.m., in the District Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

For your convenience, items appended to the agenda since its June 30, 2017 original publication date have been indicated by an asterisk (*).

If you haven’t already done so, 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:
AMENDED/APPENDED AGENDA
CIP COMMITTEE
Santa Clara Valley Water District Headquarters Building
Conference Room A-124
5700 Almaden Expressway
San Jose, CA 95118
MONDAY August 14, 2017
10:00 AM

TIME CERTAIN:
10:00 a.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 July 10, 2017

4. Action Items:

*4.1 Status of Board’s Key Projects and Issues Related to the Fiscal Year (FY) 2018-22 Capital Improvement Program (CIP). (N. Nguyen, C. Hakes, K. Oven, B. Redmond)
Recommendation:
Receive information and provide feedback on:

A. Monitoring of mitigation commitments for capital projects;
B. Status of Watershed-wide regulatory planning and permitting;
C. Rinconada Water Treatment Plant Residuals Management Project;
D. Campus Projects: Winfield Warehouse, Space Study, Headquarters Operations (Maintenance) Building;
E. *Anderson Dam Improvements and Almaden, Calero, and Guadalupe Dam Seismic Retrofit; and
F. Watershed Habitat Enhancements.

*4.2 FY 2017-18 Consultant Agreements and Amendments. (C. Hakes)
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. Clerk’s Review and Clarification of Committee Requests

7. 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 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.
A regular meeting of the Capital Improvement Program (CIP) Committee was held at 10:00 a.m. on July 10, 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 Joseph Aranda, Kurt Arends, Vincent Gin, Chris Hakes, Fang Lu, Anthony Mendiola, Michelle Meredith, Ngoc Nguyen, B. Redmond, M. Richardson, and Darin Taylor.

Sudhanshu Tikekar participated by teleconference.

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.

Chairperson Hsueh acknowledge receipt of the attached letter from Mr. Doug Muirhead, Morgan Hill resident, identified as Handout 2-A, herein. Copies of the Handout were distributed to the Committee and made available to the public.

Chairperson Hsueh requested that staff prepare a written response to Mr. Muirhead.

Director Estremera arrived.
3. APPROVAL OF MINUTES

The Committee considered the minutes of the June 12, 2017 meeting.

Chairperson Hsueh requested that Page 5, Paragraph 1, Line 2 be revised to read …priorities, and suggested that staff explore the feasibility of the following alternative funding sources:

It was moved by Director LeZotte, seconded by Director Estremera, and unanimously carried that the minutes be approved as amended.

4. ACTION ITEMS

4.1 REVIEW AND DISCUSS PROJECTS AND FUNDING IN THE WATERSHED CAPITAL PROGRAM (FUND 12 & FUND 26) FOR THE FISCAL YEAR 2018-22 CAPITAL IMPROVEMENT PROGRAM (Continued from June 12, 2017).

Mr. Ngoc Nguyen, Interim Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memorandum and corresponding attachment, and confirmed that staff's response to the Committee’s June 12, 2017 request for additional information on Redevelopment Successor Agency (RDA), Open Space Credit (OSC), and Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) funding was contained therein.

The Committee confirmed that the following list represented the unfunded Capital Watershed Projects identified by the Committee for additional evaluation, and for discussion by the full Board of Directors:

- Coyote Creek (from Montague expressway to Tully Road
- Almaden Lake Improvements
- Ogier Pond/Creek Separation
- Metcalf Pond/Creek Separation
- Stevens Creek Fish Passage Barrier Improvements

In regards to RDA funding, Director Estremera suggested that he, Director LeZotte, and the Honorable Don Gage were available to provide feedback on RDA activities for the Cities of San Jose, Sunnyvale, and Santa Clara, respectively.

In regards to OSC reductions, the Committee expressed support for tiered reduction scenarios; encouraged staff to reference a recent Greenbelt Alliance study on the economic benefits of open space; and requested that staff come back with information on whether funding created by tiered OSC reductions would be adequate to complete unfunded projects, in preparation of taking discussion to the full Board of Directors in Fall 2017.

In regards to FAHCE implementation funding, the Committee requested that staff continue to investigate what unfunded project components may qualify for FAHCE credit, and seek concurrence from FAHCE partners.
Ms. Melanie Richardson, Interim Chief Operating Officer, Watersheds, advised the Committee that staff was investigating whether additional Safe, Clean Water funds could be made available to partially fund unfunded Watershed Capital Projects where mercury issues exist.

The Committee continued discussion to September 2017, and authorized staff to reschedule the September 11, 2017 regular meeting to September 18 or 25, 2017, if additional time was needed to complete the analysis.

4.2 PEOPLESOFt UPGRADE ASSESSMENT STUDY: FINDINGS AND RECOMMENDATIONS

Mr. Sudhanshu Tikekar, Deputy Administrative Officer, reviewed the information on this item, per the attached Committee Agenda Memorandum. He explained that the recommendation to go out to bid for a new Enterprise Resource Planning (ERP) solution allowed the District to benefit from enhanced, cloud-based technologies that had been developed since the PeopleSoft System Upgrade and Expansion Capital Project was approved in 2014, confirmed that going out to bid for a new ERP would extend the project’s lifespan from 12 to 15 years, and requested the Committee’s recommendation of support for the proposal to the full Board of Directors.

Mr. Doug Muirhead, Morgan Hill resident, requested and received information that the term Best of Breed, as contained on Page 35 of the Committee Packet, was used in software manufacturing fields to define best products of their type, and that the Request for Proposal would include a Best of Breed requirement.

It was moved by Director LeZotte, seconded by Director Estremera, and unanimously carried that the Committee approve recommending that the Board support consultant recommendations to go out to bid for a new ERP solution.

5. REVIEW AND DISCUSS 2017 COMMITTEE WORK PLAN

Chairperson Hsueh directed the Committee to Page 56 of the Committee Meeting Packet, where the Committee considered items identified for discussion during the August 14, 2017 meeting.

The Committee provided the following feedback and instructions on the August 14, 2017 regular meeting, Intended Outcomes column:

- Remove Item 6, Coyote Creek Project (discussed during April 10, 2017 meeting);
- Provide an update on Items 7 and 8, for the current fiscal year, and include in that presentation the information requested by Director LeZotte during the June 12, 2017 meeting, as reflected in the June 12, 2017 minutes, Page 5;
- Present information in Item 9, Monitoring of Maintenance of CIP Project Mitigation Commitments, first;
- Add a presentation on the Rinconada Water Treatment Plant Residuals Management Project; and
- Add a presentation on the Headquarters Operations Building (Maintenance Building) Project.
6. DISCUSSION OF NEXT COMMITTEE MEETING AGENDA AND SCHEDULE

Chairperson Hsueh confirmed that the next Committee meeting would be held on August 14, 2017, at 10:00 a.m.

7. ADJOURN

Chairperson Hsueh adjourned the meeting at 11:20 a.m., to the 10:00 a.m., Monday August 14, 2017, meeting, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose.

Michelle Meredith
Deputy Clerk of the Board

Approved:
COMMITTEE AGENDA MEMO

SUBJECT: Status of Board’s Key Projects and Issues Related to the Fiscal Year (FY) 2018-22 Capital Improvement Program (CIP).

RECOMMENDED ACTION:
Receive information and provide feedback on:
A. Monitoring of mitigation commitments for capital projects;
B. Status of Watershed-wide regulatory planning and permitting;
C. Rinconada Water Treatment Plant Residuals Management Project;
D. Campus Projects: Winfield Warehouse, Space Study, Headquarters Operations (Maintenance) Building;
E. Anderson, Almaden, Calero, and Guadalupe Dam Seismic Retrofit Projects; and
F. Watershed Habitat Enhancements.

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.

Monitoring of mitigation commitments for capital projects
There are a total of 19 active long-term mitigation sites, which encompass over 3,740 acres of land. As shown in Attachment 1, Current Long-term Mitigation Monitoring, these sites require various monitoring techniques, maintenance activities, and reporting to remain in compliance with the project-specific resource agency permits. 17 sites are currently in compliance with our permits.

Two of those 19 sites, the Adobe Creek Reaches 1-4 and Calabazas Creek, failed to meet their required final mitigation success criteria. These two sites failed due to a variety of factors including drought, excess soil compaction, and the presence of plant pathogens (Phytophthora spp.). Staff has negotiated remedial measures with the resource agencies to attempt to improve the success of both sites beginning in fall 2017. The plan for the Adobe Creek Reaches 1-4 site is to utilize the District’s novel heat treatment to kill the plant pathogens present at the site prior to replanting. The plan for the Calabazas Creek site is to replant a portion of the site to meet the success criteria. Both sites will require additional years of monitoring, maintenance and reporting to achieve regulatory compliance, and project success.

There are several capital projects that are under construction including: Lower Silver Creek, Lower Berryessa Creek, Upper Guadalupe River, Permanente Creek, and San Francisquito Creek that will have long-term mitigation and monitoring requirements, once installation of mitigation planting is complete. Those projects are not included in Attachment 1.
Status of Watershed-wide regulatory planning and permitting

As the Board is aware, the District must obtain a number of federal and state regulatory permits for its various operations, projects and programs. Over the last few years, the District has faced increasing challenges in obtaining those permits from regulatory agencies, ranging from receiving conflicting mitigation requirements from different agencies, to lengthy processing times for permits that cause project delays, to a lack of flexibility in financial assurance mechanisms, to a lack of funding for resource agencies to process permits in a timely fashion. To address these challenges, the District has spearheaded efforts at the federal and state levels to initiate and implement remedies, both administratively and through legislative avenues.

At the federal level, the District Board and staff have engaged legislators and agency officials during the Washington D.C. lobby trips to influence regulatory policies to ensure permits are received in a timely, efficient and affordable manner. These efforts included advocating for flexibility in financial assurance mechanisms. The District will continue to advocate for changes needed to ensure regulatory and permitting issues are addressed at the federal level.

At the state level, the District has actively engaged with the Little Hoover Commission (LHC) and its exploration into regulatory and permitting issues experienced by agencies across California, by testifying before the Commission on two separate occasions and providing the LHC with written comments. Ultimately, the LHC issued a report in June 2017 on “Improving State Permitting for Local Climate Change Adaptation Projects” which contained several recommendations relating to how to improve the permitting process.

In addition, the Office of Government Relations (OGR) is implementing the Board’s direction to expedite permitting for certain life-safety projects via state legislation. Specifically, staff worked with Senator Beall to introduce Senate Bill 594 (SB 594), which will require permitting agencies to expedite permit processing and approval for dam safety and other flood risk reduction projects that maintain or improve human life safety. The projects would be required to have completed environmental review required by the California Environmental Quality Act (CEQA) and meet one of the following priority conditions: (1) Oroville Dam and downstream flood risk reduction, (2) high flood risk watersheds (such as Coyote Creek), (3) extremely high hazard dams with seismic restrictions (such as Anderson), (4) dams under state orders for urgent repair or decertification (such as Pacheco Dam), or (5) high-risk tidal flood zones of national economic importance (such as the South San Francisco Bay Shoreline Project).

Under SB 594, expedited permitting would enable permit processing and approval to be completed within 90 days: agencies would have 30 days to determine if priority conditions are met, and if so, the agencies would have an additional 60 days to approve or deny the permit. The bill also specifies that any mitigation measures listed in the permit would be consistent with the mitigation listed in the project's final CEQA document, which helps address the issue of regulatory agencies imposing conflicting mitigation measures. If passed and signed by the Governor, SB 594 will address the problem of regulatory delays on high-priority projects that protect human life safety through flood risk reduction.

OGR and technical staff has been working with Senator Beall, the Governor’s office, legislators and committee staff, and state stakeholders to discuss the bill and continue to move it forward through the legislative process. The State Legislature is on recess through August 20, 2017, so legislative activity on the bill will resume once the Legislature returns on August 21, 2017.
In addition to work on SB 594, OGR staff continues to monitor any state legislative and administrative opportunities to address ongoing permitting and regulatory challenges such as those cited above, will engage on specific efforts accordingly, and keep the Board apprised of developments on this front.

Locally staff is also participating in BAWAC endowment subgroup to evaluate attractive regional approaches to addressing the financial assistance issues.

Rinconada Water Treatment Plant Residuals Management Project
District staff continues to perform 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. In addition, a temporary back-up centrifuge has been delivered to the plant and is currently being commissioned. The back-up centrifuge will provide partial redundancy for the solids handling system, and will allow the District to maintain its sludge processing operation should the primary system fail. The back-up centrifuge will be available for use by the District for up to three years, while a permanent long-term solution is developed.

Concurrent with this effort, two additional public works remediation projects are being developed. A Phase 1 Remediation Project for high-priority remediation measures is being prepared by District staff, and will be ready for construction advertisement and award in Spring 2018.

A Phase 2 Remediation Project, comprised of a larger-scale, comprehensive effort to address the long-term solution for remediation of the solids handling system, is currently in the consultant selection process. A Request for Proposal (RFP) for planning and design consultant services for the Phase 2 project has been issued, and staff is currently evaluating the consultant proposals received. The consultant services agreement and resulting proposed Phase 2 project will be brought to the Board for consideration and approval.

Campus Projects: Winfield Warehouse, Space Study, Headquarters Operations (Maintenance) Building
Capital improvements at both the Winfield and Headquarters Operations (Maintenance) buildings are on-hold pending the outcomes of studies that are currently underway. The Space Study (Employee Workspace Project) consultant, MKThink, has been collecting data and developing alternatives and meeting with staff, Bargaining Units, the Steering Committee, and Executive Management in their work to present the option and choices and potential costs of improving the space utilization and efficiency of the office workspaces. Meetings are being planned for presentations to district staff to get additional feedback and input. The project is on schedule for final presentations to be made by the end of the calendar year.

BAE Urban Economics (BAE) was selected to study the development possibilities of the Winfield site. Valley Transportation Authority (VTA) is also interested in the development of their adjacent site, BAE will study both sites as a single project. VTA will pay for 50% of the approximately $105,000 cost of the study. The following scope of work for the consultant was developed jointly.

- Determine the potential to develop a commercial, institutional mixed use, (medical) office, industrial and/or public land use that complies with the zoning requirements
- Identify and evaluate development options for exclusive use as well as joint use (concurrent uses by private entity and the District)
- Include an analysis of how the current uses can be curtailed or adjusted to accommodate private sector uses for the joint use options.
- Determine the potential to consider high value regional community uses such as transit orientated development.
- Determine mixed use development including residential if market analysis shows high potential for development and long term positive revenue stream.

Process: Consultant will conduct a cost-benefit analysis for relocating or consolidating existing operations on the sites, as well as the potential revenue generation that could occur on the redeveloped site either from land sales or the leasing of newly developed space. To estimate potential revenues from the redeveloped sites, the BAE will provide three conceptual site alternatives of the combined District and VTA sites. BAE will then complete a preliminary financial pro forma analysis of each of the three site plans to evaluate the development feasibility and potential revenue generation from each alternative. Finally, BAE will review the preliminary analysis with District and VTA staff and prepare a final financial feasibility analysis. The results of the cost-benefit analysis will provide information on feasible alternatives for the Winfield site.

BAE is expected to complete their study by late November and provide the District with their recommendations in December 2017 or January 2018.

Almaden Dam Improvements and Anderson, Calero, and Guadalupe Dams Seismic Retrofits

Table 1 presents the FY17 milestones achieved for each project, as well as the FY18 projected milestone actions and target dates:

<table>
<thead>
<tr>
<th>Dam Retrofit or Improvement Project</th>
<th>FY17 Project Accomplishments</th>
<th>FY18 Projected Milestones</th>
</tr>
</thead>
</table>
| Almaden                            | • Phase 2 Geotechnical Investigations Report  
• Recommended Project to Rehabilitate Almaden-Calero Canal  
• Physical Modeling of Almaden Spillway Labyrinth | • Spillway condition assessment  
• Phase 3 Geotechnical Investigations and Report  
• Basis of Design Report  
• 30% design for improvements at dam and for Almaden-Calero Canal |
| Anderson                           | • Recommend Modified Project  
• Amendments to Program Management and Design Services Consultant Agreements  
• 30% Design  
• Initiate permitting strategy | • Spillway condition assessment  
• Phase 3 Geotech Investigations  
• 60% design  
• Draft EIR released for public review |
| Calero                             | • Phase 1 geotech investigation  
• Final Design Criteria Memorandum to DSOD  
• Initiate 30% Design | • Complete geotech investigations  
• Spillway condition assessment  
• 30% design  
• 60% design  
• Prepare Administrative Draft EIR |
| Guadalupe                          | • Complete geotech investigations | • Spillway condition assessment  
• 60% design |
Watershed Habitat Enhancements

**Ogier Ponds, Stevens Creek Fish Passage, and Metcalf Ponds**

The scope of this project is to undertake feasibility studies for possible habitat enhancements at the Ogier Ponds and Metcalf Ponds along Coyote Creek, and an evaluation and determination of priority for addressing various fish passage barriers along Steven Creek. A team of four district staff members have been dedicated to work on these studies. The project has the following schedule:

1. Ogier Ponds:
   a. Draft Feasibility Study: December 2017
   b. Final Feasibility Study: March 2018
2. Evaluation of Fish Passage Barriers Along Stevens Creek:
   b. Final Evaluation Report: June 2018
3. Metcalf Ponds:
   a. Draft Feasibility Study: December 2018
   b. Final Feasibility Study: June 2019

**Bolsa Road Fish Passage Improvement Project**

The objective of this project is to improve fish passage in Uvas Creek at the Union Pacific Railroad near Bolsa Road in South County. The original plan was to begin construction of this project in summer 2017. However, because of staff reassignment to support the Mid-Coyote Creek Flood Protection Project and the Ogier Ponds, Stevens Creek Fish Passage, and Metcalf Ponds, the Bolsa Road Fish Passage Project has been placed on hold. It is anticipated that this project will resume in September 2017 and the project construction will begin in summer 2019.

**Singleton Road Bridge Fish Passage Improvement Project**

The City of San Jose (CSJ) is the owner of this bridge at Coyote Creek and is leading the planning, design, and construction of this project. This project provides for realignment of a recreational trail, construction of a pedestrian bridge and removal of a fish passage barrier. CSJ has completed a preliminary engineering study and is proceeding with CEQA evaluation. CSJ is pursuing a grant from Santa Clara County Open Space Authority to fund completing a 35% design for this project, however, there is no funding currently available to complete final design and construction of this project. CSJ currently does not have staff resources to complete their trail projects including the recreational trail project at Singleton Road that includes the removal of fish passage barrier. CSJ currently does not have a schedule to complete design and construction of the Singleton Road Bridge Fish Passage Improvement Project due to lack of staff resources and funding.

**ATTACHMENT(S):**

Attachment 1: Current Long-Term Mitigation Monitoring
<table>
<thead>
<tr>
<th>Impact project **</th>
<th>Mitigation Site Name</th>
<th>Total Mitigation Acreage</th>
<th>Mitigation Habitat Type</th>
<th>Mitigation Monitoring Duration</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adobe Creek Flood Control Project</td>
<td>Adobe 1-4</td>
<td>0.7</td>
<td>Riparian habitat</td>
<td>10 years (2006-2015)</td>
<td>Failed to meet final success criteria; in negotiation with resource agencies for remediation. Will require additional 10 years monitoring.</td>
</tr>
<tr>
<td>Calabazas Creek Flood Protection Project</td>
<td>Calabazas</td>
<td>1.1</td>
<td>Riparian habitat</td>
<td>5 years (2012-2016)</td>
<td>Failed to meet final success criteria; in negotiation with resource agencies for remediation. Will require at least an additional 5 years of monitoring.</td>
</tr>
<tr>
<td>Lenihan Dam Outlet Modification Project</td>
<td>Lenihan</td>
<td>0.3</td>
<td>Riparian and oak woodland habitat</td>
<td>10 years (2010-2019)</td>
<td>On target</td>
</tr>
<tr>
<td>Lower Silver Creek Flood Protection Project</td>
<td>Lower Silver, Reaches 1-6</td>
<td>12.3</td>
<td>Riparian, wetland, open water and shaded riverine aquatic habitats</td>
<td>10 years (2014-2024+) Reaches 4-6</td>
<td>On target</td>
</tr>
<tr>
<td>Lower Berryessa Creek Flood Protection Project</td>
<td>Lower Berryessa Phase 1</td>
<td>6.2</td>
<td>Brackish and freshwater wetlands</td>
<td>5 years (2018-2022+) timing Reach dependent</td>
<td>Phase 1 monitoring begins 2018</td>
</tr>
<tr>
<td>Downtown Guadalupe River Project</td>
<td>Downtown Guadalupe River</td>
<td>30.8</td>
<td>Riparian, shaded riverine aquatic and fisheries habitats</td>
<td>100 years (2000 -2100)</td>
<td>On target, one indicator under dispute with AMT</td>
</tr>
<tr>
<td>Upper Guadalupe River Flood Protection Project (UGRP)</td>
<td>UGRP Reaches 6, 10b and 12</td>
<td>4.4</td>
<td>Riparian, wetland, shaded riverine aquatic and fisheries habitats</td>
<td>12 years (2012-2024+) timing Reach dependent</td>
<td>On target</td>
</tr>
<tr>
<td>Lower Coyote Creek Flood Protection Project</td>
<td>Coyote Reach 1A</td>
<td>69.5</td>
<td>Diked marsh for salt marsh harvest mouse and open water pond habitat</td>
<td>100 years (1992 -2092)</td>
<td>Vegetation has not yet achieved success criteria</td>
</tr>
<tr>
<td></td>
<td>Coyote Reach 2 &amp; 3</td>
<td>28.7</td>
<td>Riparian habitat and shaded riverine aquatic</td>
<td>100 years (1991-2091)</td>
<td>On target</td>
</tr>
</tbody>
</table>

Stream Maintenance Program 1

<table>
<thead>
<tr>
<th>Impact project **</th>
<th>Mitigation Site Name</th>
<th>Total Mitigation Acreage</th>
<th>Mitigation Habitat Type</th>
<th>Mitigation Monitoring Duration</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carnadero Preserve</td>
<td>198.0</td>
<td>Land preservation</td>
<td>10 years (2008-2017)</td>
<td>On target</td>
<td></td>
</tr>
<tr>
<td>Stevens Canyon Ranch</td>
<td>69.0</td>
<td>Land preservation (SCVWD holds conservation easement (CE) on land owned by Mid-Peninsula Regional Open Space District)</td>
<td>in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
<tr>
<td>Moore Property</td>
<td>57.0</td>
<td>Land preservation and CA Red Legged Frog mitigation (SCVWD holds CE on OSA owned land)</td>
<td>in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
<tr>
<td>Upper Penitencia Creek</td>
<td>222.0</td>
<td>Land preservation (SCVWD owned and CE held by Santa Clara County Open Space Authority)</td>
<td>in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
<tr>
<td>Hendrys Creek</td>
<td>117.0</td>
<td>Land preservation (SCVWD holds CE on land owned by Mid-Peninsula Regional Open Space District)</td>
<td>in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
<tr>
<td>Rancho Canada de Pala</td>
<td>1758.0</td>
<td>Land preservation (SCVWD owned and CE held by The Nature Conservancy)</td>
<td>in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
<tr>
<td>Coyote Parkway Wetland</td>
<td>8.6</td>
<td>Freshwater wetland creation</td>
<td>operations &amp; maintenance in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
<tr>
<td>Pajaro Wetland</td>
<td>10.1</td>
<td>Freshwater wetland creation</td>
<td>maintenance in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
</tbody>
</table>

Stream Maintenance Program 1 and Santa Clara Conduit Landslide

<table>
<thead>
<tr>
<th>Impact project **</th>
<th>Mitigation Site Name</th>
<th>Total Mitigation Acreage</th>
<th>Mitigation Habitat Type</th>
<th>Mitigation Monitoring Duration</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coyote Ridge</td>
<td>1149.0</td>
<td>Land preservation and CA Red Legged Frog mitigation (SCVWD owned and CE held by Santa Clara County Open Space Authority)</td>
<td>in perpetuity</td>
<td>On target</td>
<td></td>
</tr>
</tbody>
</table>

Total mitigation acreage still under long term monitoring: **3741.4**

* Mitigation projects which have been completed and no longer require monitoring are not documented in this table.

**Several active construction projects have known mitigation requirements but they have not yet been built, therefore they are not included in this table.
COMMITTEE AGENDA MEMO

SUBJECT: FY 2017-18 Consultant Agreements and Amendments.

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 at the August 22, 2017 Board meeting. A brief description of these recommended amendments are as follows:

1. Rinconada Water Treatment Plant Reliability Improvement Project (Reliability Project). The Reliability Project is in its third year of what will be a 5- to 6-year construction period. Two amendments to consultant agreements will be recommended for Board consideration and approval. The durations of both original agreements were divided into two time periods to provide an opportunity for staff to evaluate the consultants’ services during an initial performance period. If satisfied, staff would negotiate amendments to the agreements, authorizing additional scope and fees through the completion of project construction. The two recommended amendments are:
   A. Design Services Agreement for Engineering Support During Construction (CDM Smith). As the Engineer of Record, CDM Smith is providing engineering support during the construction phase of Reliability Project.
   B. Construction Management (CM) Services (HDR, Inc.). HDR, Inc. was hired through a competitive selection process to provide CM services for this 5-6-year Project construction period.

2. Coyote Warehouse Project.
   A. Design Services Agreement for Engineering Support During Construction (Siegfried Engineering, Inc.). Project Design is nearly complete for this Project and an item will soon be recommended to the full board to authorize advertisement for bids. In preparation for the construction phase, staff is recommending an amendment to the design services consultant to add engineering support during the construction phase of the Project.
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. Two of the amendments provide for the firms to continue performing the same types of services as construction work progresses (CM Services and Engineer-of-Record services for the Reliability Project); the third adds new scope to an existing design services agreement.

ATTACHMENT(S):
Attachment 1: Rinconada Water Treatment Plant Reliability Improvement Project
HDR CM Services and CDM Design Services Amendments
Additional Information
Background Information

The Rinconada Water Treatment Plant (RWTP) Reliability Improvement Construction Project (Project) was undertaken by the District to improve the nearly 50-year old plant’s reliability by upgrading or replacing all major plant components and increasing its capacity from 80 to 100 million gallons per day (MGD). Construction of the Project, originally estimated to be completed within five (5) years from its July 2015 start date, is now estimated to be completed within six (6) years (+33% duration).

On September 9, 2014, the Board approved Agreement No. A3768A with HDR Engineering, Inc. (HDR) for the Project’s Construction Management (CM) services. The approved NTE fee for this Agreement was $9,120,067. Staff informed the Board that the scope and fee for this Agreement covered an initial period of 30 months.

Similarly, on May 26, 2015, prior to the start of Project construction, the Board approved Amendment No. 2 to Agreement No. A 3626A with CDM Smith Inc. (CDM), to add engineering support services during construction to the subject Agreement. The approved NTE fee for Amendment No. 2 was $8,409,721. Staff informed the Board that the scope and fee for this Amendment covered an initial period of 28 months.

In 2014 and 2015, staff had recommended limiting the durations of both of these Agreements to an initial period of work to evaluate the Consultants’ services after two years of construction, and to determine if the Agreements should be amended to extend through the completion of Project construction. This also allowed staff to more accurately determine the level of effort and cost of both engineering support during construction and construction management service, for the remaining years of construction.

Amendment to CDM Agreement for Engineering Support Services During Construction

In staff’s negotiations with CDM, the Engineer of Record, to amend their agreement for engineering support services during construction, a portion of CDM’s scope of work for engineering support during construction, identified in the optional Supplemental Services task, was shifted to the construction management consultant agreement for the duration of the Project construction. Based on lessons learned from past District facility start-ups and commissioning, staff believes it is more appropriate and beneficial to the District to assign such optional tasks to the construction management consultant. These Supplemental Services tasks include development of Standard Operating Procedures and Operations and Maintenance Manuals; and integration of as-built drawings with Geographic Information System (GIS) technology.
District staff and CDM have negotiated the terms and conditions of an amendment to the design services agreement for the firm to continue performing construction phase services through Project completion and for assistance with dispute resolution.

**Amendment to HDR Agreement for Construction Management (CM) Services**

The negotiated NTE for each FY for the remaining term of the construction contract exceeds the estimated amount originally provided to the board when the Agreement was approved. Three key factors significantly impacted the increase from staff's original estimate for the amendment NTE fee for HDR's CM services than was originally anticipated for the second period of the Agreement:

1. Staff anticipates up to a one-year extension of overall Project construction, requiring an extension of CM services for at least this same time period (~$6M).
2. As stated earlier, based on lessons learned from past District facility start-ups and commissioning, staff believes it is more appropriate and beneficial to the District to assign certain tasks to the construction manager rather than the design engineer. Furthermore, based on recent experience on other projects, staff has determined that start-up/commissioning support for this Project will require greater effort than originally anticipated (~$4M).
3. Additional support on an as-needed basis for various Supplemental Services by the consultant for the next three to four years of construction work (~$3M). Examples of additional Supplemental Services, to be authorized on an as-needed basis, include:
   a. Work performed by Field Contract Administrators
   b. Partnering and related support services;
   c. Dispute management to address current and potential contractor claims;
   d. Claims negotiation and resolution
   e. Extended public outreach
   f. Additional specialty inspections