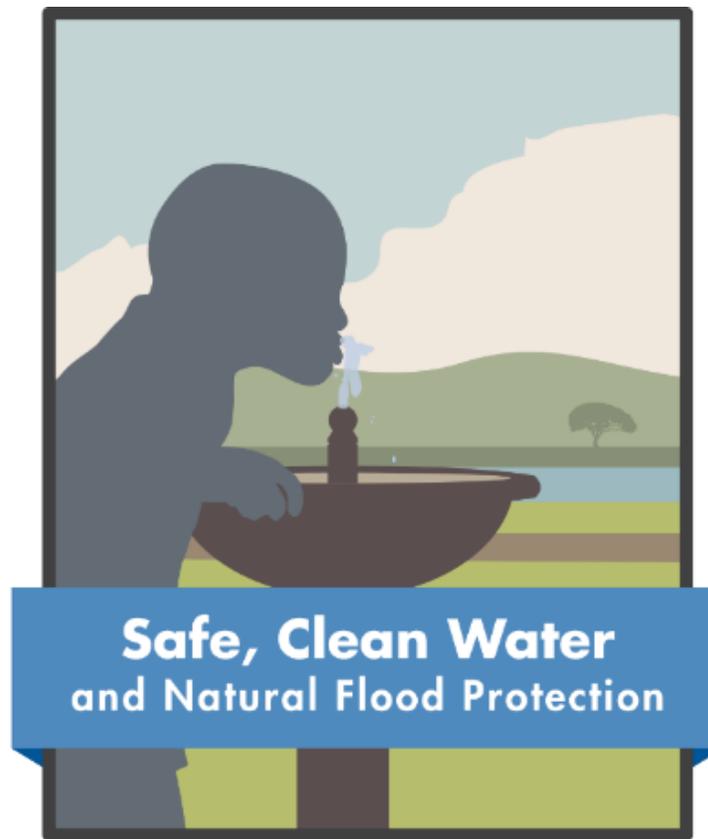




Valley Water

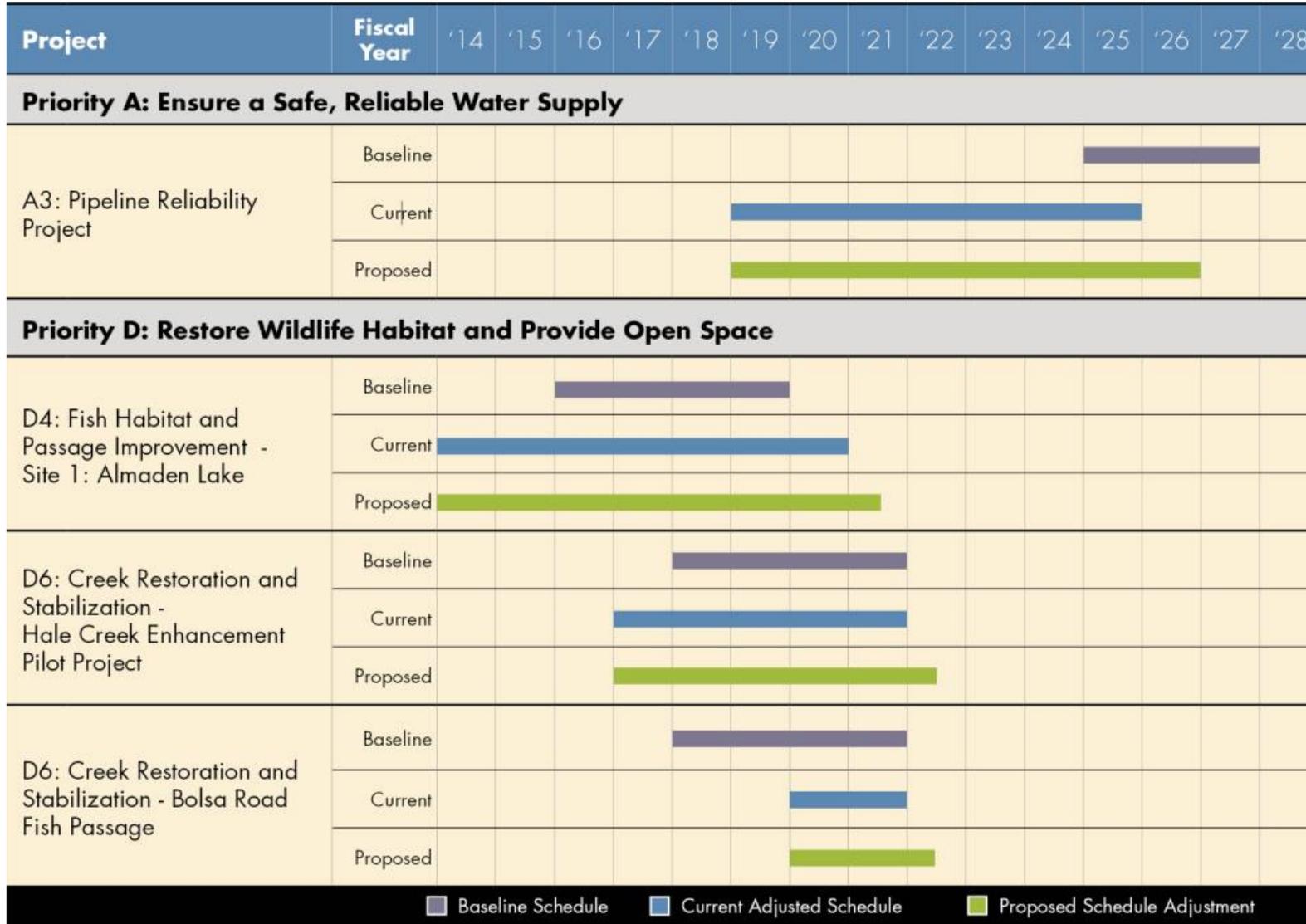
Clean Water • Healthy Environment • Flood Protection



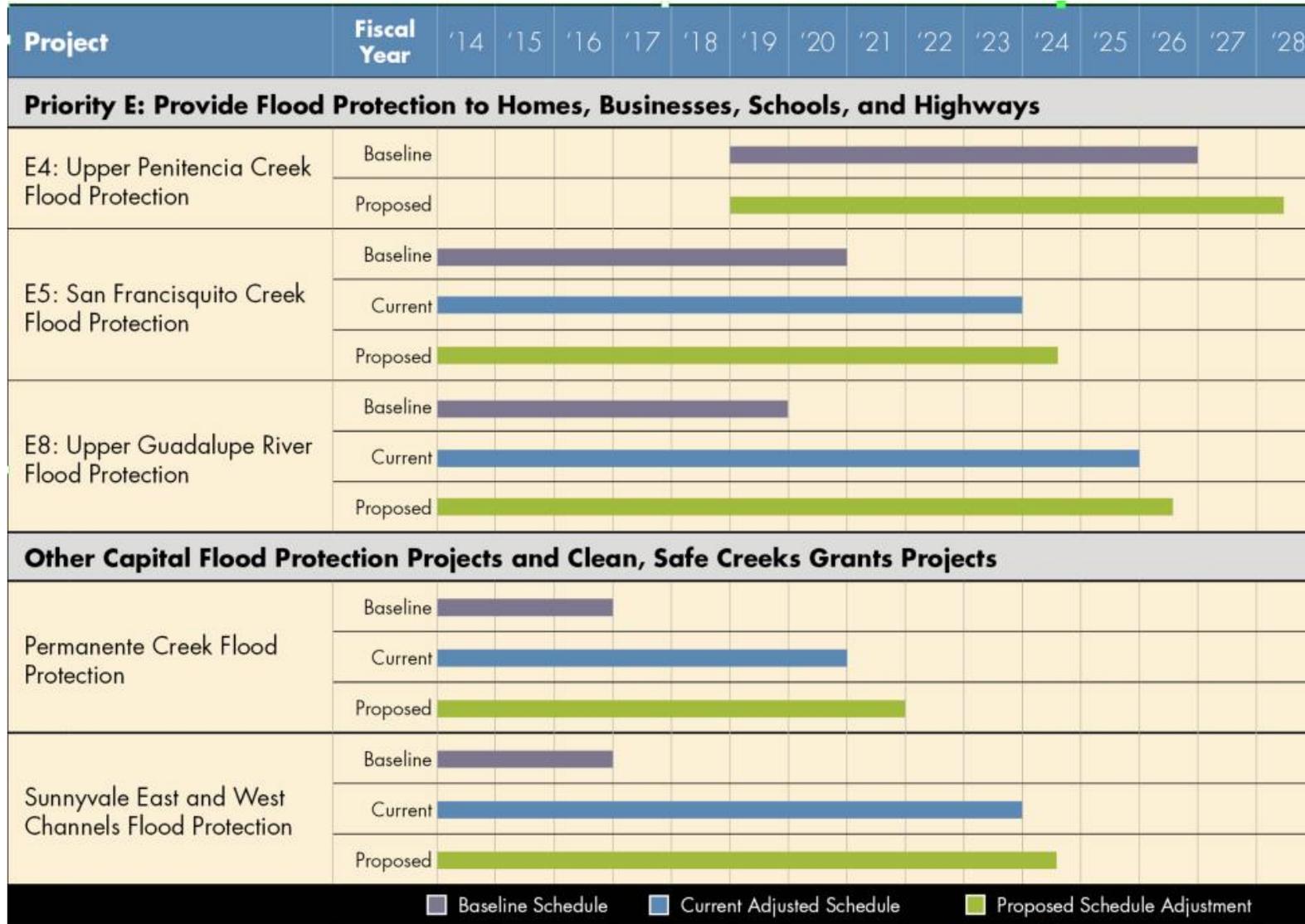
Board Approved Schedule Adjustments to Program Estimated Completion Dates Fiscal Year 2020-2021

June 23, 2020

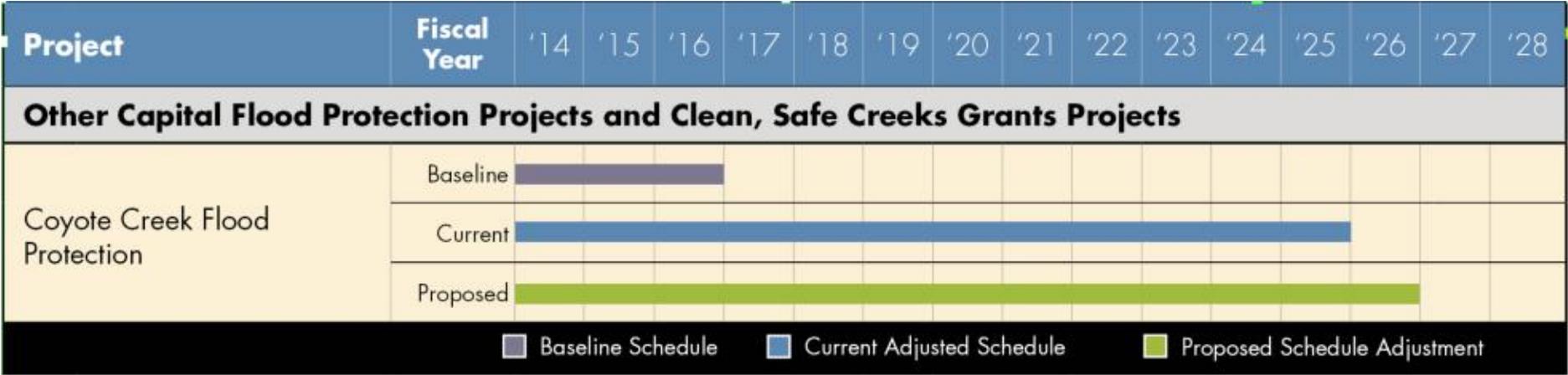
Board approved schedule adjustments



Board approved schedule adjustments



Board approved schedule adjustments





Valley Water

Clean Water • Healthy Environment • Flood Protection

SUBJECT:

Fiscal Year 2020 Schedule Adjustments to Projects in Safe, Clean Water and Natural Flood Protection Program.

RECOMMENDATION:

Approve Fiscal Year 2020 Safe, Clean Water Project Schedule Adjustments.

SUMMARY:

Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) project schedules change due to various factors, including coordination with long-term operations and maintenance pipeline shutdown schedule, additional time required to work with external stakeholders, the unanticipated and significant economic and practical impacts of the COVID-19 pandemic, discovery and recovery of sensitive environmental resources, additional time to redesign elements of a project to minimize construction impacts to adjacent residents, and delays in securing external funding.

Except for the Upper Guadalupe River Flood Protection Project, the schedule adjustments presented (Attachment 1) are to align the Safe, Clean Water project schedules with the Capital Improvement Program that the Board approved on May 26, 2020. For the Upper Guadalupe River Flood Protection and the Coyote Creek Flood Protection projects, staff is recommending the Board approve the revised schedule separately now.

These schedule adjustments will be included in the Safe, Clean Water annual report for Fiscal Year 2020 (FY20). The reasons for the schedule adjustments are detailed below:

Project A3: Pipeline Reliability

The original Pipeline Reliability Project schedule had an estimated start date of FY25 and completion date of FY27. In FY17, the project was incorporated into Valley Water's 10-Year Pipeline Inspection and Rehabilitation Program to ensure coordination with the long-term operations and maintenance pipeline shutdown schedule. This advanced the project, with construction to begin in FY19 and completed in FY25. As a result of the latest updates to the Pipeline Inspection and Rehabilitation Program, developed with input from water retailers, the project is now scheduled to begin construction in FY21 and be completed in FY26.

Project D4: Creek/ Lake Separation (Key Performance Indicator #1)

The FY19 project schedule estimated the Planning and Design for Almaden Lake to be completed in FY20. Preparation of the Draft Environmental Impact Report and design had been on track until COVID-19 happened. The pandemic is hindering completion of the geotechnical investigation, which is required work to complete the design plans. Consequently, the design schedule has been delayed by a year and is now estimated to

be completed in early FY21. Delays in design plans could subsequently delay future tasks, such as permit acquisition. Depending upon how long the pandemic and its impacts will last, the project schedule may require another adjustment.

D6: Creek Restoration and Stabilization

In FY19, staff identified the three geomorphically designed projects to be constructed under Project D6 and the Board approved a separate schedule for each of the three projects. The schedule adjustment of each project is provided below.

Site 1: Hale Creek Enhancement Pilot Project – according to the FY19 project schedule, construction was to begin in FY20, however, it has been deferred by a year for the following reasons, which will also delay completion to FY22:

1. Allow time for coordination with property owners to obtain temporary construction easements;
2. find solutions that would minimize or eliminate construction delays associated with PG&E coordination for de-energizing some electric lines that are too close to the project; and
3. Allow time to redesign some elements of the project to minimize construction impacts to adjacent residents.

Site 2: Bolsa Road Fish Passage Project – according to the FY19 project schedule, construction was to begin in FY20 and completed in FY21. In April 2020, in response to the COVID-19 pandemic impacts, the CEO directed that advertisement for the construction of this project be delayed because it was deemed non-essential work. The project will be re-advertised for construction in the summer of 2021. As a result, the project construction is deferred by a year to begin in FY21, extending the completion to FY22.

Site 3: Los Gatos Creek Restoration Project - in FY19, staff identified this project as a possible candidate for the Safe, Clean Water priority and the Board approved the recommended schedule of FY20 to FY21. A preliminary feasibility outlook showed that considerable involvement with local landowners was necessary to move this project forward and the Board approved the proposed project schedule of Planning to begin in FY20 and construction to be completed in FY23.

However, after almost a year of joint analysis and discussion, it became evident that the preferred development proposal by the landowner could not meet the key performance indicator (KPI) requirements of restoration or bank stabilization. In addition, the timeline for the land development was in constant flux, giving uncertainty to the project timeline, effectively holding the D6 funds with no firm deadline for project completion. Therefore, in FY20, the project was removed from the program. No Safe, Clean Water funds had been used on this project and staff will now look for another suitable site for this project.

E4: Upper Penitencia Creek Flood Protection

The FY19 project schedule entailed beginning construction in FY23. In December 2019, the Board approved reallocating \$23 million in funding from the Upper Penitencia Creek Flood Protection Project to Coyote Creek Flood Protection Project towards construction of the Coyote Creek Project. The Board further directed staff to use the remaining available funding in the Upper Penitencia Creek project to build Phase I of the project, which addresses the local-funding only KPI, as well as Phase II of the project, which is part of the preferred project KPI. This Board decision maximizes the flood protection provided to the community with local dollars, as the two phases combined would protect 1,250 parcels. Subsequently, staff has proceeded with finalizing planning and beginning design for Phase I and Phase II of the project and revised the project schedule for construction to begin a year later in FY24 and be completed in FY28.

Project E5: San Francisquito Creek Flood Protection

According to the current project schedule, construction on the local-state-funding only project (KPI #2) was scheduled to be completed in FY23. With phase 1 completed in FY19, the project is currently in final design of the Phase 2 portion of the project located from Hwy 101 to Pope-Chaucer Bridge. Based on the status of the regulatory permit applications, especially with delays associated with COVID-19, it is unlikely that any portion of the San Francisquito Creek Upstream project will be bid and begin construction in 2021. It is more likely to be advertised in early 2022 for construction in summer of 2022 for the creek widening sites, with Pope-Chaucer Bridge bid and constructed in 2023. As a result, the state and local funding only project construction is pushed back by a year to be completed in FY24.

E8: Upper Guadalupe River Flood Protection Project

Since FY15, lack of federal funding has stalled design and construction on the flood protection elements of the preferred project (KPI #1), comprising Reaches 7 to 11 (excluding 10B). Reaches 10B and 12, which are the mitigation elements of the project, were completed in 2015 and Valley Water contributed local funding to complete these reaches. In FY20, Valley Water deferred construction of the gravel augmentation to improve fish habitat in Reach 6 to summer of 2021 due to COVID-19 related impacts.

Reach 7, stretching from the UPRR bridge crossing downstream of Willow Street to the abandoned UPRR bridge upstream of Alma Avenue, is the local-funding only project (KPI #2) and Valley Water has adequate local funding to construct the project.

Meanwhile, due to the lack of federal funding, the U.S. Army Corps of Engineers (USACE) has been focused on updating the total project costs to determine a path for future federal funding. In FY20, USACE received funding to perform a General Re-evaluation, a study to re-evaluate the scope of the project and the associated benefits and costs that can help make the project more competitive for federal funding. The General Re-evaluation study is estimated to begin in October 2020 and take approximately three (3) years to complete.

A new preferred project (KPI #1) schedule will be developed following the completion of the General Re-evaluation study. If Valley Water were to assume the responsibility of continuing the design of the local-funding only project (Reach 7) in FY21, construction of the reach is estimated to be completed by FY26. Therefore, staff recommends adjusting the local-funding project completion date to FY26.

Other Clean, Safe Creeks Projects: Permanente Creek Flood Protection Project

The FY19 project schedule estimates project construction to be completed in FY20. However, discovery of sensitive environmental resources at Rancho San Antonio detention site and its recovery has delayed the project completion. As a result, the project completion has been delayed by one year to FY21.

Other Clean, Safe Creeks Projects: Sunnyvale East and West Channels Flood Protection

The FY19 project schedule estimates the project to be completed in FY23. An additional schedule adjustment is required for the project as a result of the Valley Water-Google partnership along a portion of the existing Sunnyvale West Channel, and continuing negotiations with the various regulatory agencies regarding permit acquisition. The City of Sunnyvale certified the Final Environmental Impact Report (FEIR) for the Google's Caribbean Campus Project in May 2020. Subsequently, negotiations need to take place with various regulatory agencies to secure the required permits. These activities are expected to be finalized by mid FY21 (December 2020), which would allow project construction to begin in late FY21 (June 2021) and be complete in FY24 (December 2023).

Other Clean, Safe Creeks Projects: Coyote Creek Flood Protection Project

The current revised schedule estimates construction completion in FY25. However, based on the current status of the project with the planning study to be completed by the end of FY20, it will be three-and-a-half years before construction can begin. After completion of planning, it will take two years for design, followed by one-and-a-half years for environmental evaluation and regulatory permitting. As a result, construction is estimated to begin in FY24 and completed in FY26. Therefore, staff recommends adjusting the completion date to FY26.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Melanie Richardson, 408-630-2035