

BOARD AGENDA MEMORANDUM

SUBJECT:

Update Change Control Process for Safe, Clean Water and Natural Flood Protection Program Schedule Adjustments and approve Fiscal Year 2019 Schedule Adjustments.

RECOMMENDATION:

- A. Approve update to Change Control Process for Safe, Clean Water and Natural Flood Protection Program Schedule Adjustments; and
- B. Approve Fiscal Year 2019 Schedule Adjustments.

SUMMARY:

Background

Approved by voters in November 2012, the Safe, Clean Water and Natural Flood Protection (Safe, Clean Water) Program was developed to allow for adjustments as needed, to ensure that key performance indicators (KPIs) are achieved on time and within budget.

On April 26, 2016, the Board approved the Change Control Process that identified the processes for making adjustments and modifications to the program (Attachment 1). In general, adjustments are made by the Board during public board meetings and the approved changes are incorporated into subsequent annual reports and 5-year implementation plans.

At the onset of the Safe, Clean Water Program, the majority of schedule adjustments were for capital projects. In turn, the Change Control Process identified the Board's annual capital project status report as the appropriate time to request schedule adjustments for Safe, Clean Water projects.

Recommended Process Improvement for Schedule Adjustments

Over the course of the past six years of implementing the Safe, Clean Water Program, there have been non-capital projects that have required schedule adjustments. On such occasions, those schedule adjustments have been included in the capital project status report item for approval by the Board.

While this approach has met the Safe, Clean Water Program requirement that adjustments be approved by the Board during a public meeting and was aligned with the Change Control Process, to better reflect the needs of the program, staff recommends that the schedule adjustments be approved by the Board annually at the end of each fiscal year (FY) as a standalone item. Further, if there is a justifiable need

for a schedule adjustment outside of that time frame, it can be brought to the Board as a standalone item.

Having schedule adjustments presented as standalone items provides increased transparency to the community regarding Safe, Clean Water Program adjustments. Additionally, having schedule adjustments performed at the end of each FY ensures that the annual report schedules will provide the most up-to-date information to the Independent Monitoring Committee and the community.

If approved by the Board, the Change Control Process will be updated to reflect this process improvement.

Fiscal Year 2018-2019 (FY19) Schedule Adjustments

Safe, Clean Water Program project schedules change due to various factors, including partnership related delays, additional time required to finalize environmental documents, and construction permitting delays.

In addition to the schedule adjustments that were approved by the Board on March 27, 2019, staff has identified additional required FY19 schedule adjustments. Rationale for each proposed schedule adjustment, along with recommended adjustments to the estimated schedule completion dates, is included below:

Project D6: Los Gatos Creek Restoration

The Los Gatos Creek Restoration Project is one of the three geomorphically designed projects to be constructed under Project D6. The project is dependent on a partnership with a private sponsor, who will be funding design and providing land rights for the project. As a result of this partnership, the schedule will likely be subject to variables that are beyond Valley Water's control. Since the original project schedule was set on March 27, 2019, further discussions with the private partner require that the schedule be adjusted to accurately reflect the estimated timeline. Based upon the updated timeline, staff recommends adjusting the project completion date to FY23.

Project E5: San Francisquito Creek Flood Protection

Due to the complex nature of the project, the San Francisquito Creek Joint Powers Authority (SFCJPA) and their environmental consultant required additional time to prepare the Draft Environmental Impact Report (DEIR), which was released on April 22, 2019. The EIR is expected to be finalized in the Fall of 2019, which will incorporate the public's comments on the DEIR. The SFCJPA must also secure permits, easements, and additional funding necessary to begin construction. Given the complexities and uncertainties related to securing these items for a multi-jurisdictional project with substantial constraints, construction is not expected to begin until 2021 and will continue into the beginning of 2023. Based upon the updated timeline, staff recommends adjusting the project completion date to FY23.

Project E6: Upper Llagas Creek Flood Protection

The schedule adjustment is due to the additional time needed to negotiate and acquire a 404 permit from the U.S. Army Corps of Engineers – Regulatory (USACE-Regulatory). As a result, the start of Phase 1 construction was delayed from FY19 start of construction to FY20. Phase 2 construction advertisement is anticipated by December 2019, upon completion of the remaining parcels to be acquired and completion of the final construction documents. As a result, the anticipated construction completion date of the Project (Phase 1 and Phase 2) has shifted from FY22 to FY24 (December 2023). Based upon the updated timeline, staff recommends adjusting the project completion date to FY24.

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

The schedule adjustment is due to the additional time needed to incorporate design changes 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. In June 2017, Valley Water Project team submitted all the required permit applications to the various state and federal regulatory agencies and is currently in negotiations with these agencies to acquire the necessary permits. These activities are expected to be finalized by in late FY2020 (March 2020), which would allow project construction to begin in late FY2020 (June 2020) and be complete in FY2023 (December 2022). Based upon the updated timeline, staff recommends adjusting the project completion date to FY23.

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: Original Change Control Process

Attachment 2: Proposed FY19 Schedule Adjustments PowerPoint

UNCLASSIFIED MANAGER:

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