

March 9, 2018

NOTICE OF MEETING – REQUEST FOR RSVPS

Members of the (Name) 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
Rick Callender, Chief of External Affairs
Anil Comelo, Acting Chief Operating Officer – Administrative Services
Melanie Richardson, Interim Chief Operating Officer - Watersheds
Nina Hawk, Chief Operating Officer – Water Utility
Darin Taylor, Chief Financial Officer
Katherine Oven, Deputy Operating Officer
Vincent Gin, Deputy Operating Officer
Garth Hall, Deputy Administrative Officer
Ngoc Nguyen, Interim Deputy Operating Officer
Sudhanshu Tikekar, Deputy Administrative Officer
Christopher Hakes, Assistant Officer
Charlene Sun, Budget Manager
Beth Redmond, Capital Program Planning and Analysis Unit Manager

Attached please find the **Amended/Appended Agenda** for the **10:00 a.m., March 12, 2018**, meeting of the Santa Clara Valley Water District Capital Improvement Program Committee, to be held in the District Headquarters, Board Conference Room A-124, 5700 Almaden Expressway, San Jose, California, 95118.

For your convenience, items appended to the agenda since its March 2, 2018, original publication date have been indicated by an asterisk (*).

Please confirm your plans to attend this meeting by sending your RSVP at your earliest convenience via email to ndominguez@valleywater.org or by calling 408-630-2659.

Sincerely,

Natalie F. Dominguez

Natalie F. Dominguez, CMC
Board Administrative Assistant II
Santa Clara Valley Water District
Office of Clerk of the Board

Enclosures

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CAPITAL IMPROVEMENT PROGRAM COMMITTEE

Nai Hsueh, Board Representative, Chairperson

Linda LeZotte, Board Representative, Vice Chairperson

Tony Estremera, Board Representative



*** AMENDED/APPENDED AGENDA**

CAPITAL IMPROVEMENT PROGRAM COMMITTEE

**Santa Clara Valley Water District
Headquarters Building, Room A-124
5700 Almaden Expressway
San Jose, CA 95020**

**March 12, 2018
10:00 a.m.**

***ITEMS AMENDED AND/OR APPENDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

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: January 18, 2018

Recommendation: Approve the minutes.

4. Action Items:

4.1 Follow-Up to January 18, 2018 Review of the Long-Term Purified Water Program Elements Project. (K. Oven/ D. Taylor)

Recommendation: Receive information and provide direction for the Long-Term Purified Water Program Elements Project refinements or modifications to be incorporated into the Draft and/or Final FY2019-23 CIP.

4.2 Update on the Construction of the San Francisquito Creek Flood Reduction, Ecosystem Restoration and Recreation Project, Project No. 26284002, Contract No. C0613. (N. Nguyen)

Recommendation: Receive an update on the construction of the San Francisquito Creek Flood Reduction, Ecosystem Restoration and Recreation Project.

4.3 Update on the Construction of the Permanente Creek Flood Protection Project – McKelvey Park Detention Basin, Project No. 26244001, Contract No. C0616. (N. Nguyen)

Recommendation: Receive an update on the construction of the Permanente Creek Flood Protection Project – McKelvey Park Detention Basin.

(OVER)

4.4 Update of South County Recycled Water Producer/Wholesaler/Retailer Agreements. (H. Ashktorab)

Recommendation: Receive information and provide feedback on next steps.

4.5 Capital Projects Status Updates. (K. Oven/N. Nguyen)

Recommendation: Receive and discuss information regarding the status of capital projects in the construction phase.

*4.6 Agreement with AECOM for Planning Services for an Amount Not-to-Exceed \$621,848 for the Stevens Creek Fish Passage Analysis Project, Project No. 62044001 (Santa Clara County, Cupertino, Sunnyvale, Mountain View) (Districts 5 and 7). (N. Nguyen)

Recommendation: Receive information and provide feedback on next steps.

5. Review Committee Workplan and Meeting Schedule. (B. Redmond)

6. Clerk Review and Clarification of Committee Requests and Recommendations. (N. Dominguez)

7. Adjourn:

Adjourn to next regularly scheduled meeting at 10:00 a.m., on April 9, 2018, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose, CA 95118.

REASONABLE EFFORTS TO ACCOMMODATE PERSONS WITH DISABILITIES WISHING TO ATTEND COMMITTEE MEETINGS WILL BE MADE. PLEASE ADVISE THE CLERK OF THE BOARD'S 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 locations:

Santa Clara Valley Water District
Clerk of the Board Unit
5700 Almaden Expressway
San José, Ca 95118

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.



CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE MEETING

MINUTES

**January 18, 2018
11:00 A.M.**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Capital Improvement Program (CIP) Committee was called to order at 11:00 a.m., on January 18, 2018, 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 L. Orta, Senior Assistant District Counsel, N. Dominguez, Committee Clerk, J. Aranda, R. Chen, C. Hakes, S. Hosseini, N. Hawk, K. Oven, B. Redmond, D. Taylor, S. Tikekar, 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.

Chairperson Hsueh acknowledged receipt of the attached written comments received from Mr. John Turner, Campus Community Association and Mr. Richard McMurtry, Petaluma resident, identified as Handouts 2-A and 2-B respectively, herein. Copies of the Handouts were distributed to the Board and made available to the public. Item 2-B was referred to the District's FAHCE Ad Hoc Committee for appropriate action.

Chairperson Hsueh moved the agenda to Item 4.

4. Approval of Minutes.

It was moved by Director LeZotte, seconded by Director Hsueh, and unanimously carried to approve the minutes as presented.

5. Action Items.

5.1. Fiscal Year 2017-18 Consultant Agreements and Amendments to Existing Consultant Agreements.

Mr. Ngoc Nguyen, Deputy Operating Officer, and Mr. Saeid Hosseini, Capital Engineering Manager, reviewed the information on this item per the attached Committee Agenda Memo, related to Summary Section, Items 1 and 2.

Director Estremera arrived.

Mr. Russell Chen, Associate Civil Engineer, reviewed the information on this item per the attached Committee Agenda Memo, related to Summary Section, Item 3.

The Committee members expressed support for staff's proposed recommendations to the Board and suggested additional clarification be provided to the Board regarding the circumstances for project delays.

The Committee noted the information, without formal action.

5.2. Review the Long-Term Purified Water Program Elements Project.

Ms. Katherine Oven, Deputy Operating Officer, and Mr. Darin Taylor, Chief Financial Officer, reviewed the information on this item per the attached Committee Agenda Memo.

The Committee directed staff bring back a proposal that includes the Long-Term element of the purified water program in the Draft FY 2019-23 CIP.

Chairperson Hsueh returned the agenda to Item 3.

3. Election of 2018 Chairperson/Vice Chairperson.

It was moved by Director LeZotte, seconded by Director Estremera, and carried to re-appoint Chairperson Hsueh as 2018 Chairperson.

It was moved by Director Estremera, seconded by Chairperson Hsueh, and carried to appoint Director LeZotte as 2018 Vice Chairperson.

6. 2017 Committee Accomplishments Report.

The Committee noted the 2017 Committee Accomplishments Report, without formal action.

7. Review of 2018 Committee Work Plan and Meeting Schedule.

Chairperson Hsueh announced that she would work with Committee Liaison Beth Redmond to develop the 2018 CIP Committee Work Plan, and confirmed the next CIP Committee meeting would be held at 10:00 a.m. on February 12, 2018.

Staff to provide the CIP Committee an example of a project that includes added environmental justice and sensitive design to prioritization criteria.

8. Clerk's Review and Clarification of Committee Requests.

Ms. Natalie Dominguez, Board Administrative Assistant II, confirmed there were no formal recommendations or requests for Board consideration, and read direction to staff into the record.

9. Adjourn.

Chairperson Hsueh adjourned the meeting at 1:30 p.m. to the regular scheduled meeting at 10:00 a.m. on February 12, 2018, in the District Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Natalie Dominguez, CMC
Board Administrative Assistant II

Approved:

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Committee: CIP
 Meeting Date: 03/12/18
 Agenda Item No.: 4.1
 Unclassified Manger: K. Oven/D. Taylor
 Email: koven@valleywater.org

COMMITTEE AGENDA MEMO

SUBJECT: Follow-Up to January 18, 2018 Review of the Long-Term Purified Water Program Elements Project.

RECOMMENDED ACTION:

Receive information and provide direction for the Long-Term Purified Water Program Elements Project refinements or modifications to be incorporated into the Draft and/or Final FY2019-23 CIP.

SUMMARY:

At the January 18, 2018 CIP Committee meeting, staff requested the Committee to again consider the placement of the Long-Term Purified Water Program Elements Project in the District’s CIP because the near-term forecast of water rate increases is significantly impacted by the timing of this project’s funding. To support that discussion, staff provided a near-term forecast of North County M&I groundwater production charge increases based on a Project initiation date of FY 23 versus a Project initiation date of FY 28. The Committee then directed staff to analyze the impact of an FY 23 Project initiation date, but with the assumption that the Long-Term Purified Water Program Elements Project would be delivered via a Public-Private Partnership (P3) delivery method similar to the near-term Expedited Purified Water Program Element. Table 1 below includes an additional row in yellow highlight that shows the impact on the North County M&I groundwater production charge projection from the Committee-requested scenario.

Table 1. Projected Annual North County M&I Groundwater Charge Increases Based on Timing and/or Delivery Method of Long-Term Purified Water Program Element

Project Initiation	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
FY2023 as D/B*	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	4.0%	3.6%	2.8%
FY2028 as D/B	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	4.0%	3.8%	2.9%
FY2023 as P3**	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	7.5%	2.8%

* Design/Build

**Public-Private Partnership

Background provided at the January 18, 2018 CIP Committee Meeting

At the January 30, 2017 CIP Committee meeting, the Committee discussed the proposed FY2018-22 Water Utility Capital Program and the anticipated FY2018 and subsequent years’ water rate increases to fund the Program.

In the case of the Expedited Purified Water Program, staff reported to the Committee that the draft 2017 Water Supply Master Plan (WSMP) had identified 24,000 acre-feet per year (AFY) of purified water as a baseline element of the water supply portfolio by 2025. This volume of purified water would be adequate for the District’s water supply portfolio until 2040.

Based on the draft WSMP, staff recommended dividing the Expedited Purified Water Program into:

1. A near-term element (producing 24,000 AFY at an estimated cost of \$640M) that would remain in the 5-Year CIP; and
2. A long-term element (with an estimated cost of \$350M) that would be initiated in the late 2020s or early 2030s.

At the January 30, 2017 CIP Committee meeting, the Committee agreed with staff's recommendation. However, at the February 27, 2017 CIP Committee meeting, the Committee revised the minutes from the January 30, 2017 meeting to reflect a decision to retain the Long-Term Purified Water Program Element in the five-year CIP. The key driver for the Committee's decision was to position the District to be eligible for federal and/or state grant opportunities.

ATTACHMENT(S):

None.



Committee: CIP
Meeting Date: 3/12/2018
Agenda Item No.: 4.2
Unclassified Manger: Ngoc Nguyen
Email: nnguyen@valleywater.org

COMMITTEE AGENDA MEMO

SUBJECT: Update on the construction of the San Francisquito Creek Flood Reduction, Ecosystem Restoration and Recreation Project, Project No. 26284002, Contract No. C0613.

RECOMMENDED ACTION:

Receive an update on the construction of the San Francisquito Creek Flood Reduction, Ecosystem Restoration and Recreation Project.

SUMMARY:

At the March 28, 2017 meeting, the Board of Directors approved revising the CIP Committee's purpose to include monitoring progress of key projects in the CIP. Consistent with this, staff is presenting this update for the Committee's information.

The Project sponsor is the San Francisquito Creek Joint Powers Authority (SFCJPA), of which the District is a member. Because of the District's expertise in managing flood protection projects, the SFCJPA and its members agreed the District should advertise and award the construction contract and manage the construction as in-kind services. On behalf of the JPA, the District awarded a contract for Project construction to Tiechert Construction on June 14, 2016 for \$26,388,000 and is managing the job, with assistance from an external construction management firm, Mott MacDonald. This Project is in the 2nd year of 3-year construction schedule.

The Project will increase the San Francisquito Creek's (Creek) capacity from San Francisco Bay to East Bayshore Road by excavating sediment deposits within the channel to maximize conveyance; rebuild levees and relocate a portion of the southern levee to widen the channel to reduce the influence of tides and increase channel capacity; and construct floodwalls in the upper reach to increase capacity and maintain consistency with Caltrans enlargement of the U.S. 101/East Bayshore Road Bridge over the Creek. In addition, major Project elements include an overflow terrace at marsh elevation adjacent to the Baylands Preserve, extension of Friendship Bridge via a boardwalk across new marshland within the widened channel, improvement of habitat for endangered species, and addition and improvement of public access trails within the Project area.

The Project improvements are designed to provide one percent conveyance capacity to San Francisquito Creek from East Bayshore Road to the shoreline in the Cities of East Palo Alto and Palo Alto. This Project will provide protection for 1,100 parcels, 40 of which are in Santa Clara County. Additionally, the Project will enable future flood protection project improvements upstream, which will protect an additional 4,400 parcels, the vast majority of which are in Santa Clara County.

Status of Construction

The contractor completed in-channel work from East Bayshore Road to Geng Road. The in-channel work includes approximately 4,000 feet of flood walls, removal of the existing levee on the Palo Alto side and removal of channel sediment. The contractor is importing soil from the District's Permanente McKelvey Park detention basin construction project and another project and constructing the new offset levee. The contractor

has completed approximately 800 feet of the new offset levee. The contractor has also lowered approximately 600 feet of levee on the East Palo Alto side of the creek adjacent to the Fabre Marsh.

There has been extensive discussion of whether certain creek-side trails and the Friendship Bridge located in the Project area can be reopened for a few months until the contractor resumes working in May, after which time they will be closed until the end of this calendar year for public safety during the construction of the new offset levee and foundation of the new San Francisquito Creek boardwalk. Staff members from Palo Alto, East Palo Alto, and the District will be discussing alternatives and how best to address the significant issues affecting this decision at a meeting on February 5 and will update the Committee at the February 12th meeting.

Challenges with Project Construction

There are a few significant potential claims by the contractor that could impact the funding of the project. The potential claims include costs for disposing of unsuitable materials; a subcontractor's contention that the sheet pile protective coating involved more time and materials than expected and bid; and costs resulting from a delay by PG&E in completing their work per their original schedule.

Unsuitable Materials: there are disagreements that earthwork excavation and fill quantities are not balanced, and that the Project will require import and export of fill material. Staff has been actively working with the contractor to try and mitigate this claim. A couple of sources for import fill have been found and will mitigate much of the required import. However, the export of unsuitable materials has been much more difficult because of the current market conditions in that there is an abundance of surplus dirt due to a robust construction market.

Protective Coating of Sheet Pile: there are disagreements on the anticipated quantity of protective coating needed for the sheet pile flood wall as related to corrugation of the piles versus flat steel. The difference in quantity when considering the corrugation is approximately 30% greater. The Project's Dispute Review Board recommended the District compensate the contractor for this cost differential.

Lack of Access to the Site in 2017 for Construction: PG&E started their gas line relocation work in July 2017 and completed the work in December 2017. The contractor had planned on doing most of their work in 2017; however, PG&E needed to complete their work prior to the contractor's work. The contractor was required to work around the PG&E area and will be constructing a portion of the 2017 scheduled work in 2018. The contractor claim includes inefficiencies and escalation of costs. Staff is currently evaluating this claim.

ATTACHMENT(S):

Attachment 1: San Francisquito Project Map



San Francisquito Creek Project Map

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Committee: CIP
Meeting Date: 3/12/2018
Agenda Item No.: 4.3
Unclassified Manger: Ngoc Nguyen
Email: nnguyen@valleywater.org

COMMITTEE AGENDA MEMO

SUBJECT: Update on the construction of the Permanente Creek Flood Protection Project – McKelvey Park Detention Basin, Project No. 26244001, Contract No. C0616.

RECOMMENDED ACTION:

Receive an update on the construction of the Permanente Creek Flood Protection Project – McKelvey Park Detention Basin.

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, staff is presenting this update for the Committee's information.

The Permanente Creek Flood Protection Project will provide flood protection to the citizens of Mountain View and Los Altos, including at least 1,664 parcels in Mountain View north of El Camino Real from a 100-year (1%) flood. The Project consists of three major elements: detention basin at Rancho San Antonio, detention basin at McKelvey Park, and improvements on Permanente Creek itself (Attachment 1 - Permanente Creek Flood Protection Project map). This is an update on the McKelvey element of the Project (Attachment 2 - McKelvey Park detention basin rendering).

McKelvey Park is a little league park in Mountain View. The detention basin is being built by taking the existing facilities out of use, excavating and lowering the entire park, and then restoring the playing fields at the new ground level, along with the construction of new park amenities. The detention basin will be about 15 feet deep and connected to the Permanente Creek channel. Flows higher than a 50-year flood event will spill over a weir into an energy dissipation area and then spread into the detention area for temporary storage. Once the flood peak passes, the stored flood water will drain back into Permanente Creek by gravity flow and by pumping. Low-flow pumps will be installed adjacent to the inlet structure.

On November 8, 2016, the Board awarded the construction contract for McKelvey to Kiewit Infrastructure West Co. for \$28,105,969. The Project is in the 2nd year of a 2-year construction schedule.

Status of Construction

The majority of the utility relocations (i.e., water, sewer, storm drain, PG&E gas and electric) required along the streets adjacent to the park have been completed. All the existing facilities have also been demolished/removed and 110,000 cubic yards of soil has been hauled away. Approximately 30,000 cubic yards remain to be off-hauled. Significant progress has also been made on five of the thirteen retaining walls for the basin. All the soldier beams have been installed and much of the footings for the walls running along the border with the St. Joseph School have been poured.

PG&E Delay

The most significant challenge to construction so far has been the timing by PG&E of relocating their utilities. Although they confirmed relocation of their overhead electrical lines by June 4th, 2017, unfortunately, they were not able to complete this work until December 3rd, 2017. As a result, the presence of the overhead electrical lines delayed the contractor's completion of the soldier beam installation and excavation of the area since they needed to access the same air space. The contractor may pursue a significant claim based on this PG&E delay that could impact the Project budget. The delay claim will include inefficiencies and escalation of costs. Staff is currently evaluating the schedule and cost impact of this delay.

ATTACHMENT(S):

Attachment 1: Permanente Creek Flood Protection Project map

Attachment 2: McKelvey Park detention basin rendering

Permanente Creek Flood Protection Project



The Permanente Creek Flood Protection Project will provide natural flood protection for at least 2,200 properties in Mountain View and Los Altos, create recreational opportunities and enhance the environment.

The project will construct four flood protection elements at different parts of Permanente Creek:

- A** Floodwalls, levees and embankments north of U.S. Highway 101
- B** Flood detention area at City of Mountain View's McKelvey Park
- C** Channel widening and deepening of existing channels along Permanente and Hale creeks
- D** Flood detention areas at County of Santa Clara's Rancho San Antonio Park

For more information, visit: valleywater.org/services/PermanenteCreek.aspx



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McKelvey Park detention basin



ITEM 4.3
ATTACHMENT 2

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Committee: CIP
Meeting Date: 03/12/18
Agenda Item No.: 4.4
Unclassified Manager: G. Hall
Email: Ghall@valleywater.org

COMMITTEE AGENDA MEMO

SUBJECT: Update of South County Recycled Water Producer/Wholesaler/Retailer Agreements

RECOMMENDED ACTION:

Receive information and discuss next steps.

SUMMARY:

The partnership between the Santa Clara Valley Water District (District) and City of Gilroy for the development of a recycled water system in South Santa Clara County (South County) dates back to 1977, when the Gilroy Reclamation and Irrigation Project pipeline was constructed. In 1999, the District entered into Producer-Wholesaler-Retailer partnership agreements with the South County Regional Wastewater Authority (SCRWA) and the cities of Gilroy and Morgan Hill to develop a marketable recycled water program, which included expansion of the SCRWA Wastewater Treatment and Reclamation Plant (WWTP), located in Gilroy, and the recycled water distribution system. According to these Producer-Wholesaler-Retailer agreements, SCRWA is the recycled water producer, the District is the wholesaler, and the cities of Gilroy and Morgan Hill are the retailers. The responsibilities and costs associated with the construction, operation, and maintenance of treatment facilities are SCRWA's; distribution facilities are the District's; and meters are the cities of Gilroy and Morgan Hill within their respective jurisdictions. A brief overview on the key terms of the Producer-Wholesaler-Retailer Agreements is presented as Attachment 1.

In 2006, the Producer-Wholesaler Agreement between the District and SCRWA was amended. The most significant amendments to the Agreement included adding provisions for: a cost share on the South Pipeline, a dual use emergency discharge pipeline to Pajaro River for the WWTP and recycled water distribution; allowing the District to contract with SCRWA for operations and maintenance services on District recycled water facilities; replacement of preset delivery quantities with clause to allow the District first right of refusal to all recycled water that SCRWA produces for sale; scheduled review and updates of the South County Recycled Water Master Plan (Master Plan); and a reliability study to be performed under the first Master Plan update.

The District, in partnership with SCRWA and in collaboration with the cities of Gilroy and Morgan Hill, developed the South County Recycled Water Master Plan (Master Plan) in 2004 and subsequently updated it in 2015. This Master Plan identifies Immediate-Term, Short-Term, and Long-Term capital investments to address supply reliability deficiencies (capacity shortfalls, inadequate pressure, and aging infrastructure) and provides for the expansion and use of recycled water in South Santa Clara County. A summary of the capital improvement expenditures since 2004 and list of recommended capital improvements that have been completed or are in progress are provided as Attachment 2.

Contributions towards the capital improvements from the cities of Gilroy and Morgan Hill have been indirect through SCRWA.

The 2015 Master Plan update presented a capital investment strategy over a 20-year planning horizon. The estimated costs for capital investments include \$34.0 million in distribution system improvements and \$64.1 million in treatment system improvements, for a total of \$98.1 million as presented in Table 1.

Table 1. 2015 Master Plan Capital Improvement Recommendations

Phases	Capital Improvement Projects ¹	Cost Estimate
Immediate-Term	<ul style="list-style-type: none"> • 26,600 LF pipeline extension (varying from 8-inch to 30-inch diameter) <p><u>Planned WWTP Improvements</u></p> <ul style="list-style-type: none"> • 9 MGD Ultraviolet (UV) Treatment Facility • 3-MGD upgrade to Area 94 WWTP pump station 	<p>\$14.3 Million</p> <p><u>WWTP</u> \$4.5 Million</p>
Short-Term	<ul style="list-style-type: none"> • 21,860 LF pipeline extension (varying from 8-inch to 30-inch diameter) <p><u>Planned WWTP Improvements</u></p> <ul style="list-style-type: none"> • Chlorine contact basin and Area 98 pump station upgrade • 4.6-MGD upgrade to Area 93 WWTP pump station • 6 MG Reservoir expansion at WWTP • Automated flow measurement and smart meter conversion 	<p>\$10 Million</p> <p><u>WWTP</u> \$8.4 Million</p>
Long-Term	<ul style="list-style-type: none"> • 7,010 LF pipeline extension (18-inch diameter) • New 1.5 MG Storage Tank • New 2.1MGD pump station <p><u>Planned WWTP Improvements</u></p> <ul style="list-style-type: none"> • 2.5 MGD WWTP Phase 2 expansion (secondary treatment – Membrane Bioreactor) • Recycled water fill station (commercial & residential) 	<p>\$10 Million</p> <p><u>WWTP</u> \$50.9 Million</p>
	Total Estimated Costs (2015 dollars)	\$98.1 Million

Footnote: 1. The cost estimates for the “Planned WWTP Improvements” UV Treatment Facility and Area 94 pump station projects are derived from construction bids. The remaining cost estimates for the “Planned WWTP Improvements” are planning level estimates provided by SCRWA.

ATTACHMENT(S):

- Attachment 1: Key Terms of Producer-Wholesaler-Retailer Agreements
- Attachment 2: Summary of Capital Improvement Expenditures

**Key Terms of Producer-Wholesaler-Retailer Agreements
South Santa Clara County Recycled Water System**

No.	Item	SCRWA	DISTRICT	GILROY/MORGAN HILL
1	Agency Role	Producer	Wholesaler	Retailer
2	Recycled Water System Ownership	<u>Recycled Water Treatment/Production Facilities:</u> - Tertiary treatment and disinfection - Finish water pump station(s) - Master meter - Pipeline to Wholesaler Point of Connection - South Pipeline (Pajaro River Emergency Discharge)	<u>Distribution System and Facilities:</u> Located between the Wholesaler Point of Connection and End User Point of Connection - Pipeline and appurtenances - Booster pump station(s) - Finish water reservoir(s)/storage tanks - End User Meter (Only outside Retailer service area(s))	End User Meter (End User Point of Connection)
3	Operation & Maintenance	- WWTP - Distribution System: At Wholesaler's request & reimbursement	Distribution System: Contracted through SCRWA	End User Meter
4	Permits	Lead Agency	Compliance	Compliance
5	Water Quality	CA Title 22: Disinfected tertiary treated recycled water	CA Title 22: Disinfected tertiary treated recycled water	CA Title 22: Disinfected tertiary treated recycled water
6	Water Supply Quantity	Water supply for WWTP Operations	First right of refusal for up to 100% water supply available from Producer for sale (or other valuable consideration)	- Water supply available from Producer to Wholesaler for sale (or other valuable consideration) - Annual delivery quantity
7	Delivery Pressure	Range: 80 to 110 psig at Wholesaler Point of Connection	---	---
8	Water Supply Rate	Annual Rate Schedule: 2017 Rate = \$0	Annual Rate Schedule: 2017 Rate(s) M&I = \$398, Ag = \$48.88	Annual Rate Schedule: 2017 Rate = Wholesale Rate plus \$0 Retail
9	Master Plan	50% Consultant Cost	50% Consultant Cost	---
10	Environmental Impact Report (EIR)	50% Master Plan Programmatic-level EIR 100% WWTP EIR	50% Master Plan Programmatic-level EIR 100% Master Plan Project-level EIR	---
11	Term and Renewal	20 years, automatic 1 year renewal intervals	20 years, automatic 1 year renewal intervals	20 years, automatic 1 year renewal intervals
12	Executed	October 1999, Amended December 2006	October 1999	October 1999

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**Capital Improvement Expenditures
South Santa Clara County Recycled Water System**

No.	Item	Treatment	Distribution	Retail	SCRWA (\$ Million)	DISTRICT (\$ Million)	GRANT TO DISTRICT (\$Million)	CITY OF GILROY (\$Million)	PRIVATE (\$ Million)	TOTAL (\$ Million)
1	1978 - Installation of 8 Miles of RW Pipeline ¹		√	√	---	\$0.65	---	\$0.39	---	\$1.03
COMPLETED PROJECTS [2004 to 2017]										
2	WWTP Tertiary Treatment Filter Expansion and Installation of 3 million gallon Recycled Water Reservoir	√	√		\$3.75	\$1.54	\$1.93	---	---	\$7.22
3	Retrofit of 7,500LF of Existing Pipeline (District CIP No. 91094007)		√		---	\$3.26	---	---	---	\$3.26
4	WWTP South Pipeline	√	√		\$2.22	\$0.16	---	---	---	\$2.38
5	WWTP Recycled Water Generator Installation	√			\$1.30	---	---	---	---	\$1.30
6	WWTP UV Installation	√			\$3.75	---	---	---	---	\$3.75
7	WWTP Area 94 Recycled Water Pump Station Upgrade	√			\$0.95	---	---	---	---	\$0.95
8	Installation of 3,000LF of New Pipeline (District CIP No. 91094008)		√		---	\$5.39	\$1.30	---	---	\$6.69
9	Installation of 9,200LF of New Pipeline, End User Turnout(s), (District CIP No. 9104010)		√	√	---	\$4.30	---	---	\$0.90	\$5.20
PROJECTS IN-PROGRESS [2018]										
10	WWTP Area 93 Recycled Water Pump Station Upgrade	√			\$2.50	---	---	---	---	\$2.50
11	Installation of 14,500LF of New Pipeline (District CIP No. 91094009)		√		---	\$24.05	\$5.70	---	---	\$29.75
12	Installation of 10,395LF of New Pipeline (District CIP No. 9104010)		√	√	---	\$3.76	---	---	\$1.06	\$4.82
TOTAL					\$14.47	\$43.11	\$8.93	\$0.39	\$1.96	\$68.85

Note

- For this line item, District costs are as follows: Santa Clara Valley Water District \$0.39 million, South Santa Clara Valley Water Conservation District \$0.26 million.

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Committee: CIP
Meeting Date: 3/12/2018
Agenda Item No.: 4.5
Unclassified Manger: Katherine Oven/Ngoc Nguyen
Email: koven@valleywater.org
nnguyen@valleywater.org

COMMITTEE AGENDA MEMO

SUBJECT: Capital Projects Status Updates

RECOMMENDED ACTION:

Receive and discuss information regarding the status of capital projects in the construction phase

SUMMARY:

The CIP Committee's 2018 Workplan includes monitoring of capital projects during all phases of development. Staff will bring a list of pending projects to the Committee each month and provide detailed information on those where significant potential issues have been identified. The projects presented for discussion will be organized by phases: construction, design and planning/feasibility and staff will bring projects to the CIP Committee for review one phase at a time. Projects currently under construction will be presented first, followed the next month by those in the design phase, and then the subsequent month by those in the planning/feasibility phase; the cycle will then be repeated.

Attached is the list of projects in the construction phase. Detailed information is provided for two projects, the San Francisquito Creek Flood Reduction, Ecosystem Restoration and Recreation Project and the Permanente Creek Flood Protection Project – McKelvey Park Detention Basin, where potential issues have been recently identified.

Staff is requesting the CIP Committee provide feedback on the reporting format proposed in this memorandum to be used for future meetings.

ATTACHMENT(S):

Attachment: Capital Project Monitoring Report - Construction

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Capital Project Monitoring Report - 2018

Construction Phase

Row	Project No.	Project Name	Notes
<u>Water Utility</u>			
1	26564001	Main and Madrone Pipelines Restoration	Construction started in February 2018
2	91214001	Pacheco Conduit Inspection & Rehabilitation	Construction 60% complete
3	94384002s	Penitence Delivery Main/Force Main Seismic Retrofits	Construction complete - close-out by Jun 2018
4	95084002	Almaden Valley Pipeline Rehabilitation (10-Yr Pipeline)	On schedule to have Pipeline on line March 23 2018
5	91214001	Cathodic Protection Santa Clara Conduit	Construction started in Feb. 2018
6	93764003	IRP2 WTP Ops Bldgs Seismic Retrofit	Construction complete - close-out by June 2018
7	93234043	PWTP Clearwell Recoating & Repair	Construction complete - close-out by June 2018
8	93294057	RWTP Reliability Improvement	Committee updated Nov. and Dec. 2017
9	93294056	RWTP Treated Water Valves Upgrade	Phase II, Restore Landscaping 2018 - Closeout FY19
<u>Flood Protection</u>			
10	26244001	Permanente Creek, SF Bay to Foothill Expressway	Committee update Mar. 2018
11	26284002	San Francisquito Creek - Construction, SF Bay to Middlefield Rd.	Committee update Mar. 2018
12	26174041s	Berryessa Ck, Calaveras-I-680	Construction By County
13	40174004	Berryessa Creek, Lwr Penitencia Ck to Calaveras Blvd, Phase 1	Civil construction complete, plant establishment to June 2021
14	40174005	Berryessa Creek, Lwr Penitencia Ck to Calaveras Blvd, Phase 2	Construction complete by Mar. 2019
15	40264008s	Lower Silver Creek, I-680 to Cunningham (Reach 4-6)	Civil construction complete, plant establishment to 2020
16	62084001	Watershed Asset Rehabilitation Program	4 projects advertising for const. spring 2018
<u>Buildings & IT</u>			
14	73274010	Boardroom Technology Upgrade	Construction started in February 2018
15	73274011	E-Discovery Management System	Project closing out by Jun 2018
16	73274001	Information Technology Disaster Recovery	Project closing out by Jun 2020
17	73274007	Vena Upgrade	Complete CIP Module Oct. 2018



Committee: CIP
Meeting Date: 3/12/18
Item No.: *4.6
Unclassified Manager: Ngoc Nguyen
Email: nnguyen@valleywater.org

COMMITTEE AGENDA MEMO

SUBJECT: Agreement with AECOM for Planning Services for an Amount Not-to-Exceed \$621,848 for the Stevens Creek Fish Passage Analysis Project, Project No. 62044001 (Santa Clara County, Cupertino, Sunnyvale, Mountain View) (Districts 5 and 7).

RECOMMENDED ACTION:

Receive information and provide feedback on next steps.

SUMMARY:

Evaluating fish passage for various barriers along Stevens Creek is one of the projects directed by the Capital Improvement Program (CIP) Committee and the Board. Currently, staff has identified 32 potential fish passage barriers within approximately 12.5 miles of Stevens Creek downstream of Stevens Creek Reservoir. The degree to which these 32 potential barriers impede movements of steelhead in Stevens Creek is largely unknown. This quantitative assessment of fish barriers is intended to fill that data gap.

Once this data gap is filled, the District will use the prioritization data to ensure that future stream stewardship expenditures provide maximum benefit to steelhead populations. Stewardship projects and initiatives that may benefit from this improved data include:

- District barrier removal projects
- collaborative barrier removal efforts with other entities (e.g. cities, private developers, non-profit organizations)
- Safe Clean Water grants to third parties for design and implementation of fish passage barrier removals, or
- Watershed-wide planning efforts.

The study to be prepared by the Consultant will: 1) quantitatively evaluation of the degree to which each of the 32 potential fish passage barriers on Stevens Creek between San Francisco Bay and Stevens Creek reservoir constrain fish passage at various creek flows and 2) quantify the amount of available aquatic habitat (i.e. river miles) which will become accessible to steelhead if each barrier is removed (i.e. reach becomes 100% passable).

Consultant Selection Process:

On August 17, 2017 staff published a Request for Proposals (RFP) for planning services and distributed to firms on the District's self-registered list of HE10 Hydrologic Engineering. In addition, the RFP was posted on the District's Contract Administration System internet portal.

During the six-week advertisement period, staff issued three addendums to clarify details in the RFP and to respond to questions received from interested consultants. Five proposals were received by the proposal submittal deadline of September 28, 2017.

A Consultant Review Board (CRB), consisting of four subject matter experts from the District's Watershed Design and Construction Division, evaluated and ranked the five written proposals and conducted oral interview of three consultants. Based on the combined (written and oral) rating scores, the CRB recommended AECOM, the highest rated firm. On November 21, 2017 staff-initiated agreement negotiations with AECOM.

Consultant Agreement and Scope of Services:

The recommended Agreement with AECOM includes the required tasks and budget to prepare the study discussed above, which will inform future decisions on fish passage barriers. Table 1 presents a summary of the tasks and associated costs for the Agreement with AECOM:

Table 1. Cost Breakdown for AECOM contract

Task	Description	Total Not to Exceed Fee)
1	Project Management	\$55,549.00
2	Background Research	\$20,138.00
3	Site Visit and Data Collection	\$256,419.00
4	Fish Passage Analysis	\$136,713.00
5	Technical Report	\$44,031.00
6	SS. Additional Barriers	\$109,078.00
Total Not to Exceed Fees		\$621,848.00

FINANCIAL IMPACT:

Funding for the Agreement with AECOM is included in the Fiscal Year 2018 budget for Watershed Habitat Enhancements, Project Number 62044001.

CEQA:

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

UNCLASSIFIED MANAGER:

Ngoc Nguyen, 408-630-2632

ATTACHMENT(S):

Attachment 1: None

CIP Committee 2018 Workplan

		Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
CIP Implementation													
10 Year Pipeline B5 So Co Recycled Water Project w/ Environmental Justice Prioritization Criteria Long Term Purified Water Alternative Financing WUE Projects (Special Tax) Public Private Partnership (P3) Delivery for capital projects	N o M e e t i n g	X	X		X								
		X											
							X						
		X											
			X	X		X		X		X		X	
Capital Project Monitoring													
Construction Design Planning / Feasibility		X			X			X					
			X			X			X				
				X			X			X			
CIP Development													
Project ranking criteria Preliminary CIP										X	X	X	
										X	X	X	

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