

Capital Project Monitoring Report – January 2026

Feasibility and Planning Phase				
Row	Project No.	Project Name	Notes, Upcoming Board Actions, or potential issues	Deputy's Initials
<u>Water Supply</u>				
1	91084019	Dam Seismic Stability Evaluations	<p>The Division of Safety of Dams (DSOD) received the Coyote Dam seismic stability assessment in July 2024. The analysis indicates that Coyote Dam needs both embankment retrofitting and spillway replacement. Recently, DSOD agreed with the Coyote Dam assessment and maintained the existing reservoir restriction as an interim risk reduction measure, pending review of additional studies and the retrofit project. The Coyote Dam Preliminary Remedial Alternatives Report was reviewed and discussed, and the final report is expected in early 2026.</p> <p>The Uvas Dam seismic assessment technical memorandum, which concluded that no additional studies are needed, was submitted to DSOD in March 2025 for review.</p>	RM
2	91294001	Pure Water Silicon Valley	<p>The Chesbro Dam evaluation technical memorandum report was initially planned for completion by July 2025; however, additional field investigation was identified as necessary to confirm geotechnical parameters and finalize the evaluation. This need was confirmed during a meeting with DSOD, and an investigation plan is now being developed for formal submission to DSOD. This unanticipated requirement is expected to extend the report completion date to 2027.</p> <p>On August 6, 2025 Valley Water issued a request for proposal (RFP) for the design of the Direct Potable Reuse Demonstration Facility. Several proposals were received, and interviews were held in November with two firms. Staff have selected a firm and are currently finalizing the procurement, anticipating an issuance of a notice to proceed in March 2026. Staff continue to work with regulators to develop the testing plan for the demonstration facility, which will lead to permitting of a future full-scale facility.</p>	KS
3	93044001	Water Treatment Plant (WTP) Master Plan Implementation Project	<p>Staff completed four Basis of Design Reports (BODRs) for the Santa Teresa, Rinconada, and Penitencia Water Treatment Plants, along with a cross-plant BODR. These reports consolidate recommended alternatives into capital project plans for implementation over the first ten years following completion of the Master Plan (2025–2034) and provide 10% designs with associated cost estimates. The first recommended capital project from the plan, for the Santa Teresa Water Treatment Plant, is currently included in the CIP Preliminary FY 2027-31 Five-Year Plan, with additional details to be presented at the February 2026 CIP Committee Meeting. Environmental planning and documentation also continue to progress, with the Program Environmental Impact Report (PEIR) on track for completion in summer 2026.</p>	LP
4	95044001	Distribution System Master Plan Implementation Project	<p>Staff have finalized the draft Pipeline Evaluation and Asset Management Strategy Technical Memorandum (TM), marking an early milestone in assessing the condition, reliability, and capacity of Valley Water's raw water and treated water pipelines. The results will inform focused investigations, long-term asset management strategies, and the development of the Problem Definition Report, which is expected to be completed in early 2026.</p> <p>A Draft Condition Assessment Technical Memorandum has also been prepared for the Pump Stations (Pacheco, Coyote, Intertie, Wolfe Road, Campbell Well Field, and San Tomas Injection Well Facility). The document includes a detailed evaluation of asset conditions and provides general recommendations for asset inspections, rehabilitation, and replacement. Staff are finalizing the review of these assessments, which will inform the Problem Definition Report.</p>	LP

5	95044002	SCADA Master Plan Implementation Project	Staff continue to work on transitioning the planning work for the two early implementation projects, SCADA remote communications and the raw water alternate control center, to Engineering and IT for integration into ongoing system improvement work. Staff finalized the approach for selecting a standardized SCADA platform as outlined in the master plan. Staff are working to finalize scope and schedule changes in accordance with the updated approach.	LP
6	93764004	Penitencia WTP Clearwell Roof Improvement Project	Staff are currently working on the Planning Study Report (PSR), which is currently undergoing internal review. Once the PSR is completed, the project team will transition to the design phase.	EA
<u>Flood Protection</u>				
7	26444002 26444004	San Francisco Bay Shoreline (E7) – Phase II and Phase III*	The US Army Corps of Engineers (USACE) concluded the Phase II study after finding that the study area is not predicted to experience flood damage significant enough to justify federal investment. Valley Water continues to engage with the cities of Mountain View and Palo Alto on other paths to provide shoreline and sea level rise protection in this area.	BY
8	26284002	San Francisquito Creek – S.F. Bay to Middlefield Road (SCW E5)*	In November 2024, USACE proposed a Phase III study schedule of eight years and a budget of \$15.97 million, to be shared 50/50 between Valley Water and USACE, making Valley Water's contribution \$7.885 million. In December 2025, USACE Headquarters confirmed that it does not support the full proposed study scope, budget, or schedule and provided guidance on potential paths forward. While Valley Water staff evaluates options, the USACE project team continues technical analysis within the study area and anticipates a preliminary indication of whether the project will achieve a benefit-to-cost ratio greater than 1 by spring 2026. Once this information is received, Valley Water will have enough information to make an informed decision on the best path forward.	BY
<u>Water Resources Stewardship</u>				
9	26044003	Ogier Ponds Separation from Coyote Creek (SCW D4.2)*	The Staff Recommended Alternative is currently being finalized, including incorporating input from regulators as part of the ADSRP Multi-Agency Working Group. Valley Water received permission to enter private land adjacent to Ogier Ponds and enter the County Parks property under the Master License Agreement to support a geotechnical investigation. The field coring and sampling was completed in October 2025. Data is being analyzed and results should be available in January 2026. Staff analyzed the completed hydraulic modeling and is preparing preliminary real estate documents in support of the early design of the preferred alternative, which would re-route Coyote Creek through private land south of the ponds. The PSR and Staff Recommended Alternative will be presented to the CIP Committee in April 2026.	LB
10	26044005	Fish Passage Improvements (Moffett) (SCW D4.3)*	Four feasible alternatives were identified to improve fish passage at the existing Moffett Fish Ladder, an old Denil-style ladder which is frequently obstructed by debris. The project team is currently incorporating internal comments and will then present the findings and preliminary Staff Recommended Alternative to external stakeholders, including the FAHCE Initialing Parties. The PSR will be completed in spring of 2026. The Feasibility Analysis and the Staff Recommended Alternative will be presented at the January CIP Committee meeting.	LB

11	20444001	Calabazas/San Tomas Aquino Creek-Marsh Connection Project (Planning and Design)	Long-term marsh accretion modeling has been completed and indicates that significant tidal marsh habitat would be created and sustained with this project. Flood risk and water quality modeling will be completed in early January. Modeling results will be included in the PSR and presented in April 2026 to the CIP committee. Since the project's planning and design is being funded in part by a federal grant, Valley Water reviewed the grant terms to confirm the consultant contracts comply with grant terms and conditions. While the contracts are interpreted to comply with grant terms and conditions, the consultant contract with Stillwater was amended in December 2025 to ensure further compliance.	LB
----	----------	---	---	----

<u>Buildings & IT</u>				
12	60204022	Security Upgrades and Enhancements	This project will significantly enhance the overall security of Valley Water facilities by designing and installing a modern technical security system capable of addressing today's security and investigative requirements to counter security threats. The project is being delivered in three phases: the construction contract for Phase 1, which involves fencing replacement, was awarded by the Board of Directors in December 2024 and construction is in progress; Phase 2, focusing on surveillance and access control replacement, is currently in procurement and staff is in contract negotiations with a selected vendor from this solicitation; and Phase 3, the expansion of the surveillance system, is in the planning phase and will be advanced after the completion of Phase 2 to ensure a seamless progression in enhancing the overall security infrastructure.	TN

* This project meets the commitments of the voter-approved Safe, Clean Water Program (SCW). For a full description of the SCW benefits and KPIs, please visit www.valleywater.org.

THIS PAGE INTENTIONALLY LEFT BLANK