

Project E1: Coyote Creek Flood Protection Project History

The Coyote Creek Flood Protection Project was originally part of the 15-year Clean, Safe Creeks and Natural Flood Protection Plan (CSC Plan), the first Valley Water voter-approved measure. The CSC Plan, which voters approved in November 2000, came into effect on July 1, 2001, (Fiscal Year 2001-2002). The Coyote Creek Flood Protection Project (Coyote Creek Project) entailed planning, design and partial construction of the project extending approximately six miles upstream of Montague Expressway to Interstate 280. The project objective was to eventually protect 1,400 parcels from 1% flood. At that time, the CSC Plan's budget for the project was approximately \$38.6 million (\$32 million in 1999 dollars). Under the CSC Plan, Valley Water performed geomorphic and floodplain analysis, completed 5-year fish monitoring study, prepared a problem definition report, held multiple community meetings to receive input, completed conceptual alternatives analysis and prepared the Planning Study Report (PSR), etc. A range of conceptual alternatives was developed to address the Coyote Creek Project objectives and the cost of all the alternatives significantly exceeded the project's available budget. In 2011, the 100-year flood risk reduction improvements cost was estimated between \$500 million and \$1 billion. Valley Water attempted to secure U.S. Army Corps of Engineers (USACE) financial support for the project but was not successful. With the limited available funding, Valley Water proceeded with a design for only the downstream reaches of the Coyote Creek Project (Montague Expressway to Highway 880).

In November 2012, voters approved the 15-year Safe, Clean Water and Natural Flood Protection Program (2012 Program), which replaced the CSC Plan. The Coyote Creek Project was carried forward into the 2012 Program along with its remaining budget and with the key performance indicator (KPI) to "Complete construction of downstream project elements." The project did not receive any additional funding at the start of the 2012 Program.

The Coyote Creek Project was delayed due to various developments, including extremely high project cost estimates and the absence of federal funding, which was critical to Valley Water's ability to construct the project. Furthermore, potentially feasible project alternatives for 1% level of protection depended significantly on the outcome of various ongoing projects, including the Anderson Dam Seismic Retrofit Project, which could impact the flows into Coyote Creek. In FY2015-2016, it was decided to return the Coyote Creek Project to Planning for a refreshed look at the project alternatives. Due to uncertainty about the results of these projects and their impacts on Coyote Creek Project design and associated permit acquisitions, in 2016, the Valley Water Board approved placing the Coyote Creek Project on hold until FY2018-2019, pending the outcome of the efforts mentioned above.

In 2017, significant flooding impacted Coyote Creek and the surrounding communities. Following the floods, the Coyote Creek Project was modified to extend the project reach by approximately 2.9 miles upstream to Tully Road to include the Rock Springs neighborhood and incorporate the areas impacted by the flood event. In addition to extending the project reach, the modifications revised the target protection for the preferred project, a federal-state-local partnership (KPI #1), from a 1% level flood event to a flood event similar to the February 21, 2017, flood (approximately a 20 to 25-year event), which is the largest flow seen in Coyote Creek since 1950. This was to allow Valley Water to address the flood threat to the community without depending on the progress of other projects and their impacts on Coyote Creek flows. It would also allow Valley Water to move forward with planning and design during FY2017-2018 rather than waiting until FY2018-2019. Furthermore, a local-funding-only option

(KPI #2) was created, which identified short-term relief solutions to begin implementing prior to the 2017-2018 winter season; complete the planning and design phases of the preferred project; and with any remaining funds, identify and construct prioritized elements of the preferred project. Subsequently, Valley Water implemented several short-term interim projects to help reduce the risk of flooding along Coyote Creek. These included the installation of an interim floodwall and embankment along the creek in the Rock Springs community. This structure protects the Rock Springs community from a flood event equivalent to the February 2017 flood. Other interim projects included repairing a 150-foot levee adjacent to the South Bay Mobile Home Park, installing flood gauges on bridges that provide real-time visual information on water levels and removing invasive vegetation from Valley Water and the San Jose City property in parts of the creek that experienced the most flooding.

Under the CSC Plan, the Coyote Creek Project had an allocation of \$38.6 million (\$32 million in 1999 dollars). Approximately \$24.4 million in remaining funds were carried forward with the project into the 2012 Program. By FY2018-2019, the Board approved funding allocation had increased by approximately \$6.4 million to approximately \$30.9 million. In FY2019-2020, to demonstrate Valley Water's commitment to constructing the Coyote Creek Project, the Board further increased the funding allocation for the project by approximately \$25.2 million to approximately \$56.1 million, which required reducing the allocations for other projects under the 2012 Program.

In May 2018, Valley Water signed a Memorandum of Agreement with the USACE, which allowed Valley Water to conduct a Feasibility Study with as-needed technical help from the USACE, paid by Valley Water. This was the first effort of its kind in the country and was to help determine whether there could be federal interest and funding for the project providing a higher level of flood protection than the February 2017 event. In August 2019, Valley Water and the USACE agreed on an initial task under the Section 1126 MOA developed in 2018. This initial task was for the USACE to produce a Coyote Creek Project management plan (PMP) that provided a comprehensive description of how the USACE would go about producing a Feasibility Study to USACE standards. In May 2020, the USACE delivered a draft PMP to Valley Water. In March 2021, the PMP was finalized, and the task was completed. In April 2021, in consultation and agreement with Valley Water, USACE closed out the Coyote Creek Project to align with the revised project approach described below.

Following a February 2020 direction from the Federal Energy Regulatory Commission (FERC) regarding the above-mentioned Anderson Dam Seismic Retrofit Project, the Coyote Creek Project was split into two projects to accommodate building a new outlet tunnel at Anderson Dam. As a result, Valley Water accelerated the design and construction of the Coyote Creek Flood Management Measures Project (CCFMMP), representing 40% of the Coyote Creek Project, so that the creek can handle the potential release of higher flows from the larger outlet tunnel at Anderson Dam. The CCFMMP is funded by Valley Water's Water Utility Fund, while the remaining 60% of the project, the Coyote Creek Flood Protection Project (CCFPP), is funded by the renewed Safe, Clean Water Program.

In November 2020 voters approved the renewed Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program), replacing the 2012 Program. In FY2021-2022, the remaining fund allocation for the project was carried forward into the renewed Safe, Clean Water Program with an updated KPI to "Construct flood protection improvements along Coyote Creek between Montague Expressway and Tully Road to provide protection from floods up to the level that occurred on February 21, 2017, approximately a 5% (20-year) flood event." In FY2022-2023, after staff identified a significant

project cost increase, the Board increased the funding allocation for the project by approximately \$162 million to a total project allocation of approximately \$225 million (Preliminary FY2024-2028). The CCFMMP cost, and therefore allocation, also escalated by approximately \$87 million (Preliminary FY2024-2028) to a total project cost of approximately \$116 million.

Meanwhile, Valley Water has continued to explore other funding sources for Coyote Creek Project as well as seeking a low-cost federal loan under the Water Infrastructure Finance and Innovation Act (WIFIA) of 2014. In February 2023, Valley Water successfully secured \$727 million in low-cost WIFIA for various critical water supply and flood projection projects, including approximately \$72.5 million for CCFPP.

Flooding History

Flooding has occurred many times within the Coyote Creek Watershed, including along portions of Coyote Creek in 1911, 1917, 1931, 1958, 1969, 1982, 1983, 1997, 1998, and 2017. The largest flow recorded on Coyote Creek was 25,000 cubic feet per second in 1911, prior to construction of the current two water-supply reservoirs in the upper watershed. The worst flooding in the project reach since Anderson Reservoir was constructed in 1950, occurred in February 2017. Coyote Creek overtopped its banks at several locations between Montague Expressway and Tully Road. Businesses and hundreds of homes were inundated by creek waters for many hours. Highway 101 near Watson Park and various local streets were closed due to flooding, and thousands of residents had to be evacuated and sheltered.

Further details regarding the flooding history of the creek and the project background, including the 2017 modification, can be found at

<https://scvwd.legistar.com/LegislationDetail.aspx?ID=3064265&GUID=D843FFA6-6EA4-4825-9A8F-76221C76BB82>.

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