

Capital Project Monitoring Report – June 2026

Construction Phase

CM Services

Row	Project No.	Project Name	Status	Notes, Upcoming Board Actions or potential issues	Deputy's Initials	In house	External	Combination
<u>Water Supply</u>								
1	95084002	10-Year Pipeline Inspection and Rehabilitation Project – West Pipeline I&R, Phase 1	Construction	The shutdown of the West Pipeline began on November 3, 2025, and was brought back online on April 17, 2026. The flowmeter at Cox Avenue was commissioned on May 8, 2026. Non-shutdown related work is expected to be completed by October 2026.	EA	X		
2	95084002	10-Year Pipeline Inspection and Rehabilitation Project – West Pipeline I&R, Phase 2	Construction	The contractor continues to work on product data and construction planning submittals. Procurement of long lead items and pre-construction activities are expected to be completed by November 2026.	EA	X		
3	95084004	East Pipeline Inspection and Rehabilitation Project	Construction	The construction contract was awarded in May 2026 with construction activities anticipated to begin in summer 2026.	EA	X		
4	26764001	IRP2 Additional Line Valves (A3)*	Construction	As reported previously, design of all four line valves have been completed and construction is scheduled with the West Pipeline, East Pipeline and Santa Teresa Force Main Inspection & Rehabilitation Projects. One of the West Pipeline line valves was installed near Quito Road in Saratoga as a part of the West Pipeline Inspection & Rehabilitation Project, Phase 1.	EA	X		
5	93294057	Rinconada WTP Reliability Improvement (Phases 3-6)	Construction	Construction continues on Phase 4. The contractor has completed structural work on the filters and continues to work on the mechanical and electrical components. Work at the Chlorine Contact Basin continues with dry finishing the walls, HVAC system installation, and placement of the surrounding chemical duct bank. Work at the Ozone Generation Building also continues with HVAC installation, mechanical equipment installation, various small-diameter piping installation, interior painting, and placement of the upper roofing system. At the Liquid Oxygen Facility, slab and curb construction has been completed, and installation of equipment pads and pedestals continues. Chemical system modifications for Aqua Ammonia and Caustic Soda are underway, including pump & adjustable speed drive (ASD) replacement, associated plumbing, and testing.	EA			X
6	92304001	Almaden Valley Pipeline Replacement	Construction	A public meeting and mini tour were held on May 13, 2026, during which staff presented on Phase 4 construction progress and upcoming work. The Notice to Proceed was issued in April 2026, followed shortly by the Preconstruction Conference. The contractor has begun submitting immediate submittals and RFIs. Material procurement is expected to continue through April 2027. The first Almaden Valley Pipeline (AVP) Project pipeline shutdown is scheduled to start in October 2027.	EA	X		
7	91234002	Coyote Pumping Plant ASD Replacement	Construction	Construction activities began in October 2025. The pumping plant shutdown began on November 18, 2025, and will continue through August 2026. The design-builder completed the installation of the air handling units and duct heaters in the ASD gallery. HVAC piping was successfully hydrottested. All six motors have been modified and returned to the pump station. In the switchyard, the design-builder has completed backfilling of the electrical trench and completed installation of the transfer switches. Upcoming work includes continued switchyard electrical activities, including bus modifications, e-house setup, overhead feeder work, terminations, and startup/commissioning of the new switchgear.	EA	X		
8	91094009	South County Recycled Water Pipeline	Construction	The remaining pavement repairs are pending negotiations with the City of Gilroy and are expected to be completed in summer 2026. For Phase 1C, construction activities are underway and are expected to be completed in June 2026.	EA	X		

9	94084007	Treated Water Isolation Valves	Construction	The construction contract was awarded in October 2025 as part of the West Pipeline Inspection & Rehabilitation Project, Phase 2. Construction activities are underway and progressing under the West Pipeline Phase 2 Project.	EA	X			
10	93234044	Penitencia WTP Residuals Management	Construction	Construction activities for mobilization began in February 2026, with completion anticipated by May 2026. A public meeting about the Project was held on June 10, 2026.	EA	X			
11	91864006	Anderson Dam Tunnel (FOCP)	Construction	The concrete final lining construction in the tunnel has been completed. The contractor is currently installing tunnel piping, with pipe deliveries ongoing to support the work. At the diversion outlet structure, the fixed cone valves and butterfly valves have been installed. The contractor has also completed seismic structural modifications to the control building. Construction is scheduled for completion this fall.	RM			X	
12	91864008	Coyote Creek Chillers Plant (FOCP)	Construction	Construction is approximately 95% complete, with recent work including utility pole installation, above-grade piping completion, and system pressure testing.	RM	X			
13	91864009	Coyote Percolation Dam Replacement (FOCP)	Construction	Construction was completed in March 2025, and the Notice of Completion was approved by the Board of Directors on July 8, 2025. PG&E started work on the power upgrades in April and plans to be completed by end of June. Staff will then test several facilities at the percolation dam site. Following testing, staff will coordinate with Division of Safety of Dams to verify the permanent power to the site and obtain approval to operate the dam.	BY	X			
Flood Protection									
14	26174051 26174052 26174054 26174055	Llagas Creek – Upper, Buena Vista Avenue to Llagas Road (SCW E6)*	Construction	Phase 1 Plant Establishment and Maintenance Phase (Milestone 3) ended in March 2025. The Phase 1 Notice of Completion was approved by the Board of Directors on June 10, 2025. The Phase 2A Notice of Completion was approved by the Board of Directors on January 28, 2025. Phase 2B construction continues. The contractor has completed the tree removals and sewer work on Hale Ave. The project’s regulatory in-channel work window is May 1 through October 15. The widening and deepening of West Little Llagas Creek (Reach 6) and East Little Llagas Creek (Reach 14) began on May 1, 2025, and the creek improvements were completed by October 15, 2025. On May 1, 2026, the final year of creek improvements (Reaches 7B and 8) have begun and have an anticipated completion date of October 15, 2026. Phase 2B construction is expected to be completed in March 2027, followed by a three-year plant establishment phase.	BY		Phase 1 & Phase 2B	Phase 2A	
15	00044026	San Francisco Bay Shoreline – Phase I (EIA 11)	Construction	Construction of levees by the US Army Corps of Engineers in Reaches 1-3, located between the Alviso Marina and U.S. Fish and Wildlife Service Don Edwards San Francisco Bay National Wildlife Refuge Environmental Education Center, began on December 6, 2021 and was completed in November 2025. Coastal Conservancy is working on obtaining necessary permits/agreements to begin hauling material for the ecotone construction which is anticipated to begin this summer 2026.	BY		N/A	USACE Const.	

16	62084001	Watershed Asset Rehabilitation Program (WARP)	Construction	<p>Evelyn Fish Passage Project on Stevens Creek: Construction began on July 16, 2025. The contractor was able to complete some tree removal and demolition of existing sheet piles during the 2025 summer construction season. Construction of the fish passage improvements will continue in June 2026. The Peninsula Corridor Joint Powers Board approved the encroachment agreement to allow construction beneath the railroad bridges this summer.</p> <p>Calabazas Creek Erosion Repair Project: This project addressed eroded channel banks at four specific locations along Calabazas Creek. Construction began in late August and was completed in October 2025. It went to the Board for approval for the Notice of Completion and Acceptance of Work on April 28, 2026 and was approved. This will be the last update for this project.</p>	BY	X			
17	10394001	Palo Alto Flood Basin Tide Gate Structure Replacement	Construction	<p>Construction for the seismic retrofit and rehabilitation elements of the project began in September 2025. The contractor completed Phase 1, the seismic retrofit and rehabilitation work, and mitigation planting, on January 31, 2026. The Board accepted the Phase 1 portion of the project as complete during the April 28, 2026 Board meeting. Phase 2, the three-year plant maintenance establishment commenced on February 19, 2026 and will conclude in February 2029. In September 2026, the contractor will begin Phase 3 of the project by replacing six hydraulic flap gates and is scheduled to complete the installation by October 15, 2026.</p>	BY	X			
Buildings & IT									
18	73274002	ERP System Implementation	Construction	<p>The project team is now working with the vendor on the first payroll/time entry and HRIS bolt-on enterprise resource planning (ERP) applications. The project is formally underway with an expected eleven-month deployment timeline.</p>	CL	N/A	N/A	N/A	
19	60204022	Security Upgrades and Enhancements	Construction	<p>This project enhances 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, is now complete and Valley Water has observed beneficial use of the completed works at all of the sites. Staff will be requesting Board acceptance of this portion of the project at the June 9 Board meeting. Phase 2, focusing on surveillance and access control system replacement, is now in construction. 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.</p>	TN	X			

*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.

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