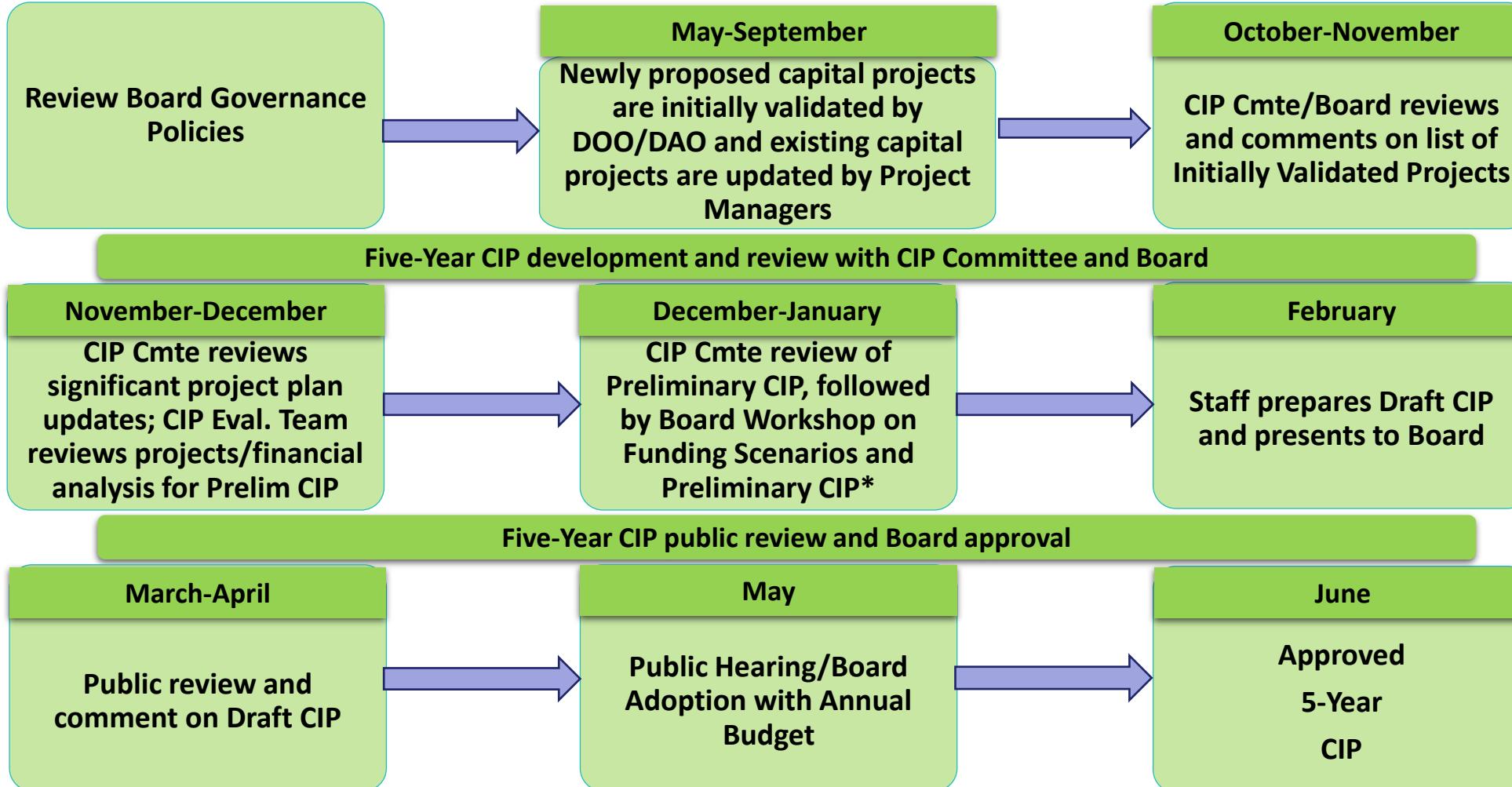


# Capital Improvement Program (CIP) Annual Process Overview

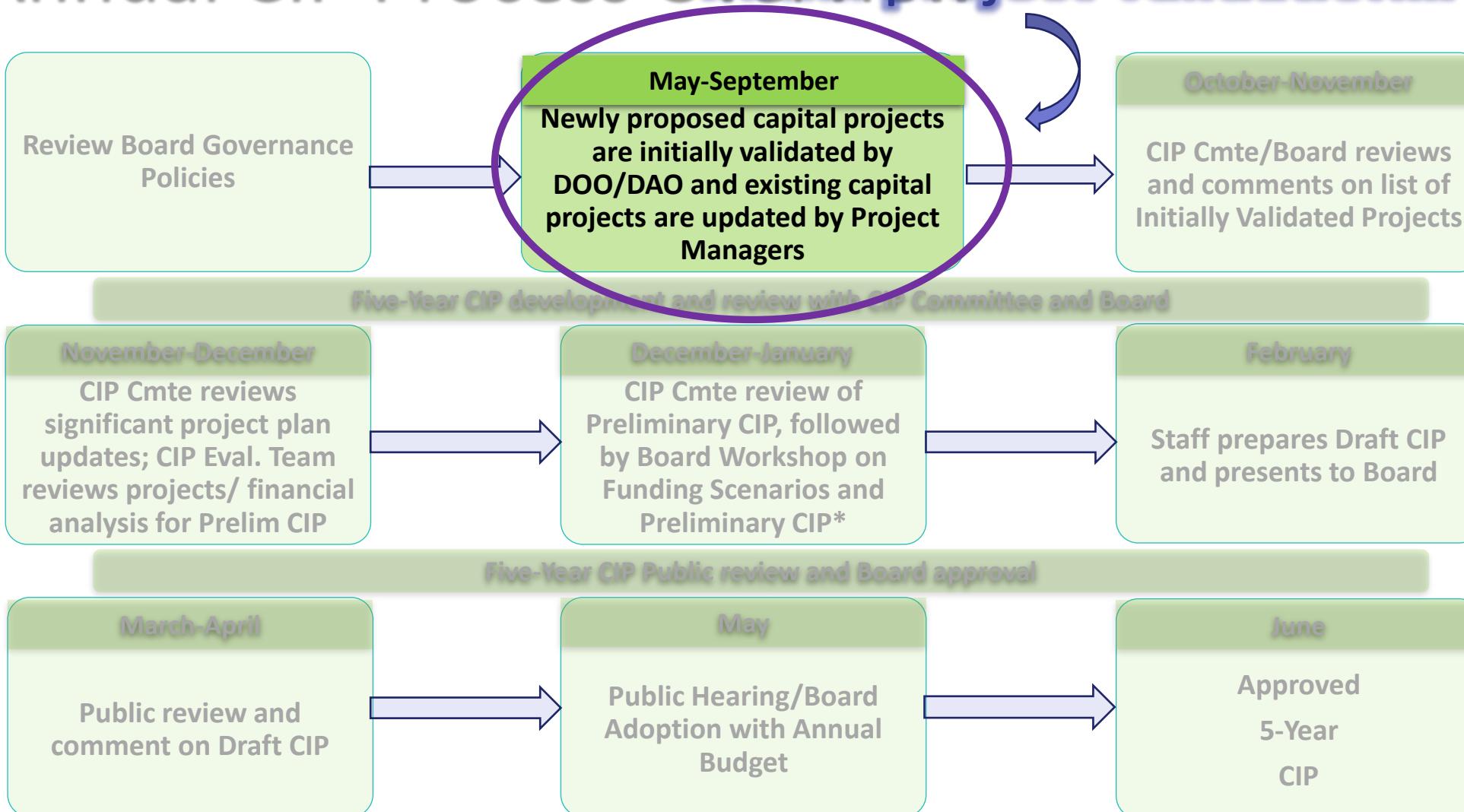
# Annual CIP Process Overview

2



# Annual CIP Process Overview

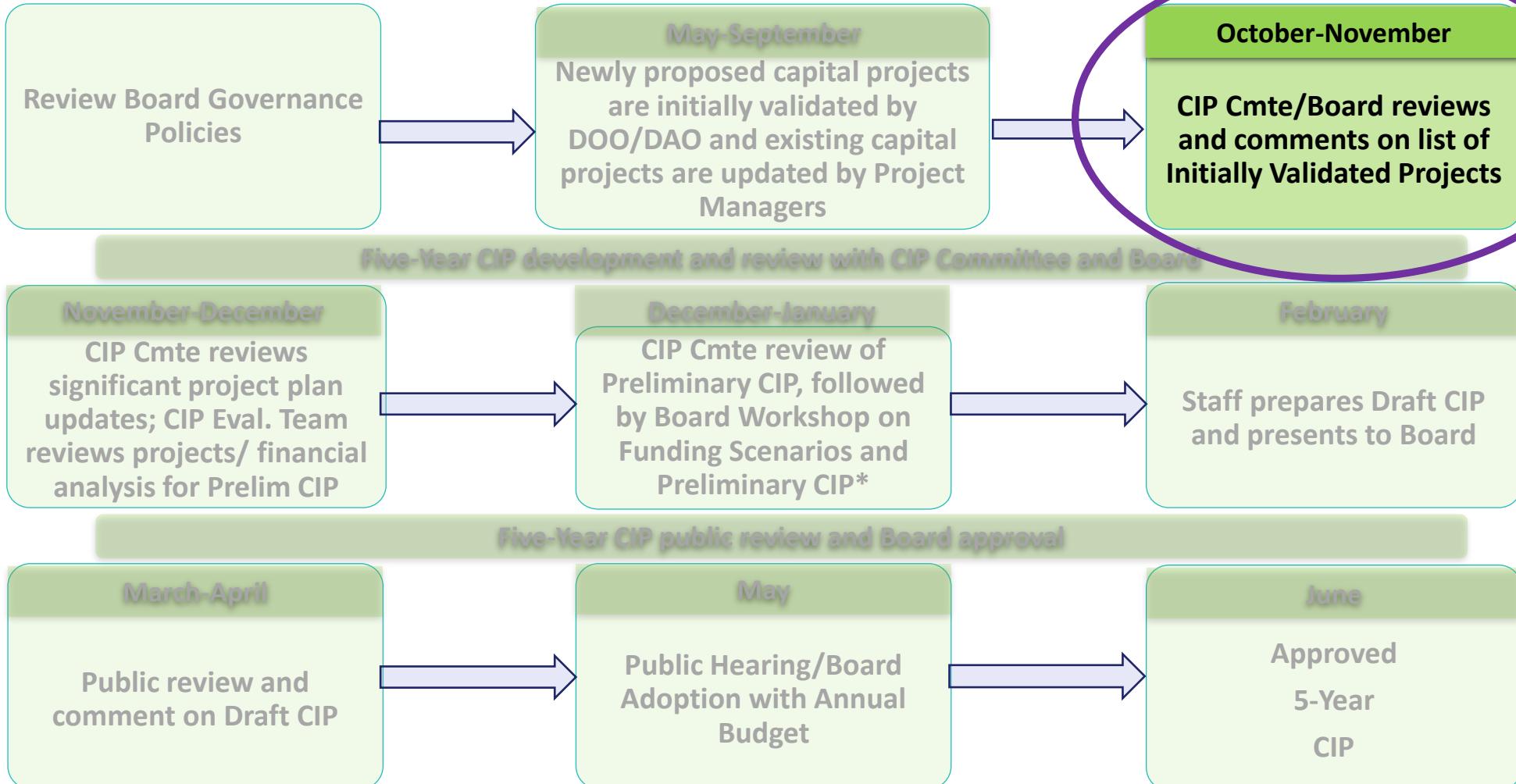
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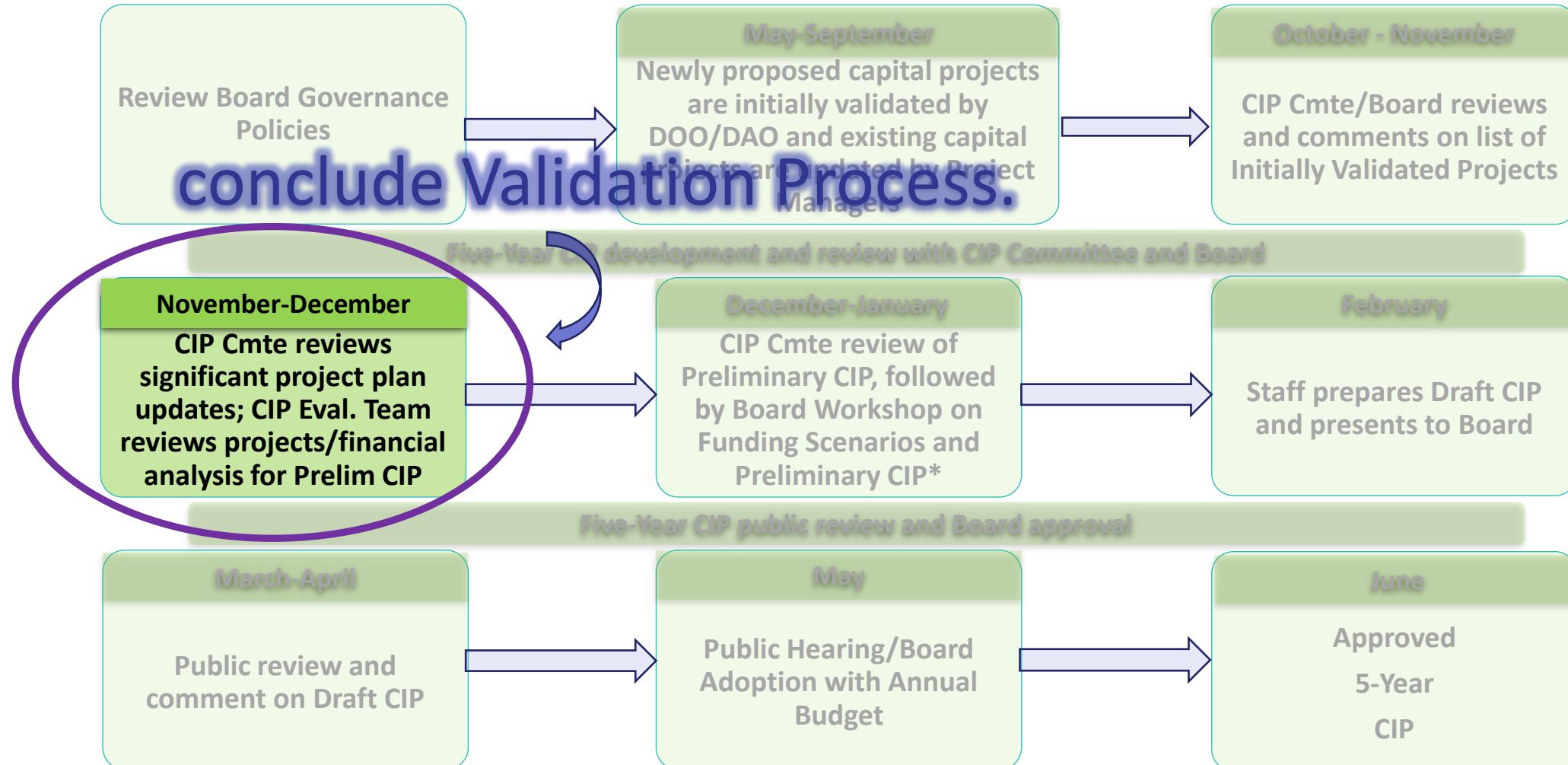
# Annual CIP Process Overview

...Board comment...

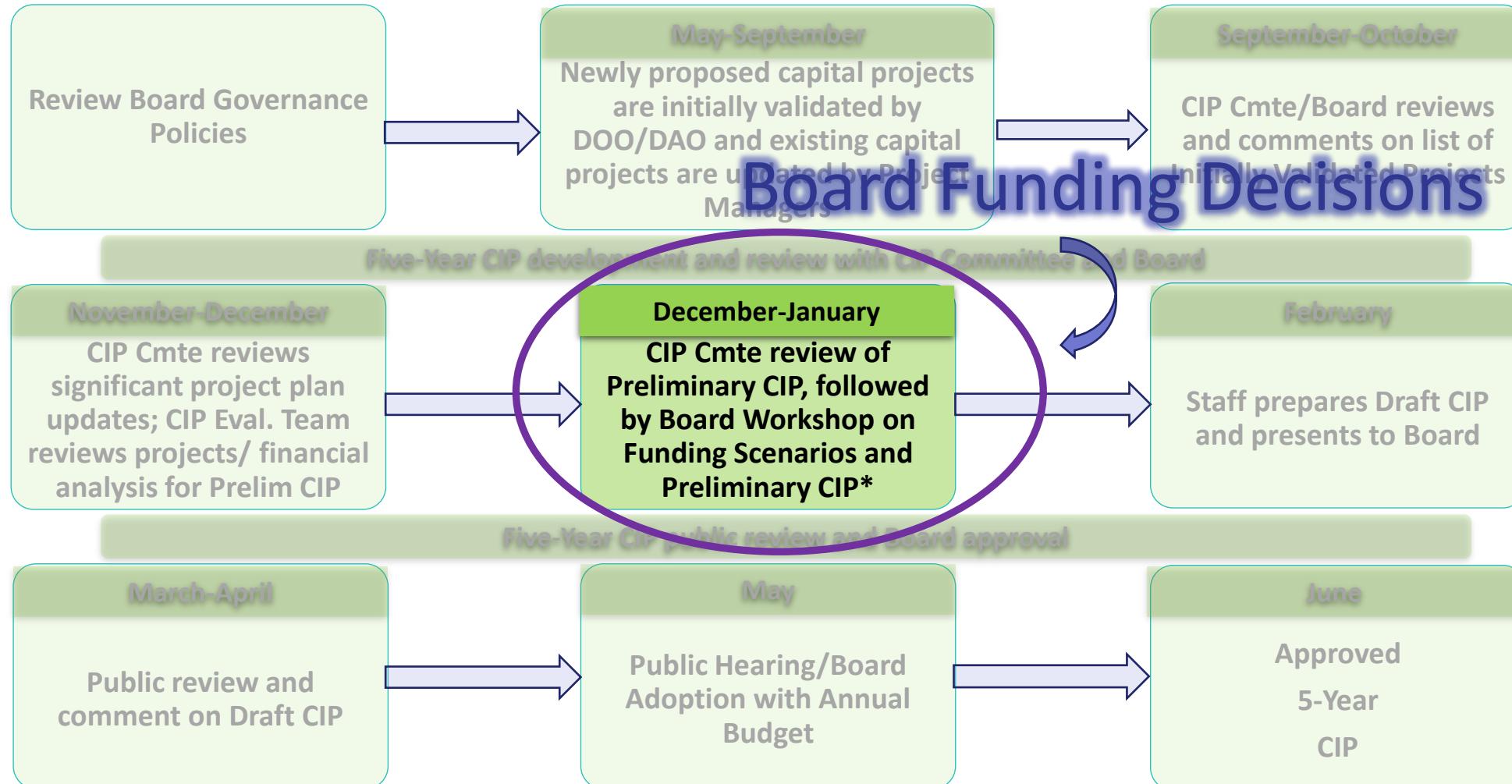
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# Annual CIP Process Overview



# Annual CIP Process Overview



# Integrated Financial Planning Schedule

## VALLEY WATER FINANCIAL PLANNING SCHEDULE

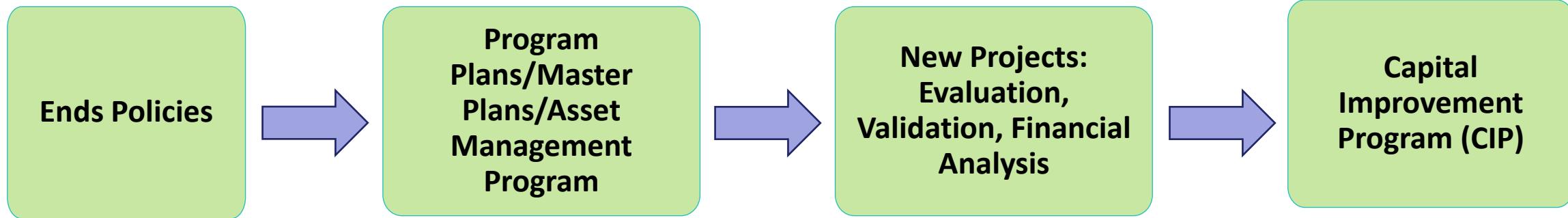
Budget  
Water Rates  
CIP  
WU/WS O&M 5-Yr Plans  
WSS/SCW Fund Analysis  
All Other/Combined

Ref	Internal Date	Brd Cmte Date	Brd Mtg Date	Milestone	Budget	WU/WS O&M 5-Yr Plans
1	8/30/21			Kick off Long-Term Operations Cost Forecast process	Water Rates	WSS/SCW Fund Analysis
2	10/1/21			Financial planning discussion with Chiefs #1 (Issues, strategy, schedule, reorgs, headcount, Board concerns, big projects) and CIP Discussion Re: Significant Project Plan Updates and Newly Validated, Unfunded Projects	CIP	All Other/Combined
3		10/18/21 CIP		Overview of Annual CIP Process and Integrated Financial Planning Calendar & Review list of Newly Validated, Unfunded Capital Projects		
4			10/26/21	Biennial budget update BAM		
5	10/29/21			Financial planning discussion with Chiefs #2 - Review CIP Significant Project Plan Updates (IF NECESSARY - Issues, strategy, schedule, reorgs, headcount, Board concerns, big projects)		
6	11/2/21			Internal Budget Kickoff meeting		
7	11/5/21			CIP data (data-details) to FP (CN & JA) for Long Term Financial Modeling		
8		11/15/21 CIP	11/9/21	Overview of Annual CIP Process and Integrated Financial Planning Calendar & Review list of Newly Validated, Unfunded Capital Projects		
9	11/18/21			CIP Committee Presentation on Significant Project Plan Updates		
10			11/23/21	CIP Evaluation Team (Deputy/Chiefs/ACEO/CEO) reviews preliminary financial models and recommends projects to be funded in FY23-27 CIP		
11	12/3/21			Water Rate Planning BAM		
12		12/13/21 CIP		CEO/Chiefs set operations budget targets by fund		
13			12/14/21	CIP Committee Presentation: Preliminary CIP funding discussion w/ financial modeling & major changes vs FY 22-26 CIP and discuss need for Board Workshop prior to presentation of Prelim CIP		
14		1/3-1/7/22		Budget Process Planning BAM		
15			1/11/22	TENTATIVE Special Brd Mtg: Multi-day Workshop on CIP Funding Scenarios based upon significant changes to prior CIP (Review scenarios and CIP Committee Recommendations)		
16			1/25/22	Present 5-Year WS and WU O&M Plans to Brd (for information only)		
				Watersheds prelim 10 year financial analysis BAM (show prelim WSS and SCW fund graphs and discuss funding issues)		
				Prelim Water Rate Analysis BAM (Prelim water rate scenarios)		
				Prelim CIP BAM (Approve Project List and Prelim CIP)		Combined Presentation like prior year
17	2/2/22			1st pass budget update BAM		
18	2/3/22			CEO decision on water rate recommendation for PAWS report	Critical Path	
19			2/22/22	Chiefs review of unfunded needs		
20	2/25/22			Draft CIP BAM (Authorize to distribute for public review)		
				File PAWS report & mail well owner notices		
21			3/8/21	2nd pass budget update BAM		
22		4/12/22		GW charge public hearings begin		
				CIP Public hearing begin (or this could happen on 4/26)		
23		4/14/22		GW charge public hearing in South County (Gilroy)		
24		4/26/22		GW charge public hearings close		
25		4/27/22		Budget Workstudy session		
26		5/10/22		Board adoption of Water Rates, CIP, Budget, Investment and Debt Resolutions (w/Final CIP and Budget Reports completed by 6/30/2022)		
27		6/30/22		FY23 rate notifications: website and mailers (retailers and all customers)		

# FY22 Unfunded Projects Recommended for Removal/Revalidation

Project Name	Total Project Cost (In \$ thousands)	Remaining Cost (FY23 to completion) (In \$ thousands)	Phase	Notes
<b>Unfunded Projects Recommended for Removal in FY22</b>				
Dam Seismic Retrofit at 2 Dams (Chesbro & Uvas)	\$7.5M	\$7.5M	N/A	Staff recommends removal of this project from the unfunded list in FY22 for revalidation. Last business case/project proposal update was pre-2012.
So. County Recycled Water Reservoir Expansion	\$10.2M	\$10.2M	N/A	Staff recommends removal of this project from the unfunded list in FY22 for revalidation. Last business case/project proposal update was 9/2016.
Alamitos Diversion Dam Improvements	\$4.2M	\$3.4M	N/A	Staff recommends removal of this project from the unfunded list in FY22 for revalidation. Last business case/project proposal update was 7/2012.
Fleet and Facility Annex Improvements	\$6.4M	\$6.4M	N/A	Staff recommends removal of this project from the unfunded list in FY22 for revalidation. The project team plans to re-submit the Validation package in next year's cycle. The last Business case/project proposal was 10/2012.
<b>Total:</b>	<b>\$28.3M</b>	<b>\$27.5M</b>	<b>N/A</b>	

# Drivers for New Capital Projects:



# FY23 Initially Validated and Currently Unfunded Projects

Project Name	Total Project Cost (In \$ thousands)	Remaining Cost (FY23 to completion) (In \$ thousands)	Phase	Notes
<b>FY23 Initially Validated Projects (Proposed for Addition to Unfunded List)</b>				
South Babb Flood Mitigation Project	\$1.3M	\$1.3M	N/A	All initially validated projects TPC's are approximate (no Capital Project Plan developed, only Business Case and Request form submitted).
South Babb Flood Protection Project	\$12.0M	\$12.0M	N/A	
San Tomas Aquino Project	\$35.0M	\$35.0M	N/A	
Randol Creek Levee Rehab Project	\$2.0M	\$2.0M	N/A	
CPP Isolation Valves & Actuators Replacement Project	\$3.2M	\$3.2M	N/A	
Tepid Water System for Emergency Shower/Eyewash Stations at WTPs	\$2.8M	\$2.8M		
Security Upgrades and Enhancements	\$14.0M	\$14.0M	N/A	
<b>Currently Unfunded Projects</b>				
Long-Term Purified Water Program Elements	\$190.5M	\$190.5M	N/A	Recommended to <b>REMAIN</b> on the unfunded list - for Phase 2 EPWP (with City of Sunnyvale).
RWTP Ammonia Storage & Metering Facility Upgrade	\$5.8M	\$5.8M	N/A	Recommended to <b>REMAIN</b> on the unfunded list. Business case/project proposal 9/2019 for last year's CIP.
<b>Total:</b>	<b>\$266.6M</b>	<b>\$266.6M</b>	<b>N/A</b>	



# Valley Water

Clean Water • Healthy Environment • Flood Protection

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