

Summary of Capital Project Plan Updates from CIP Adopted Fiscal Year 2026-30 Five-Year Plan

Below is a detailed summary of all processed project plan updates with revised total Project cost (TPC) from the CIP Adopted Fiscal Year (FY) 2026-30 Five-Year Plan by type of improvement. All of the Project plan updates included in this attachment will be reflected in the baseline CIP Preliminary FY 2027-31 Five-Year Plan. Updates labeled as **(New)** indicate changes that were made after the CIP Preliminary FY 2027-31 Five-Year Plan was presented to the CIP Committee.

WATER SUPPLY – STORAGE

01. 91084019 Dam Seismic Stability Evaluation

COST ONLY – Inflated TPC decreased by \$203K

The uninflated Project cost has increased due to the addition of Valley Water labor resources allocated for planning in FY27 and FY28 to support continued evaluations of Chesbro Dam. However, the overall inflated Project cost decreased following the application of updated inflation factors. The revised inflated TPC is \$29.76 million.

02. 91084020 Calero and Guadalupe Dams Seismic Retrofits – Planning

SCOPE, SCHEDULE, AND COST – Overall schedule remains the same/Inflated TPC increased by \$4.62M

Due to significant project and design changes, Agreement No. A3675A with GEI Consultants, Inc. required additional scope to complete an Environmental Impact Report (EIR) and updated technical studies for the Calero Dam Seismic Retrofit Project and Guadalupe Seismic Retrofit Project, in compliance with the California Environmental Quality Act (CEQA). In addition, the original agreement did not include scope for the National Environmental Policy Act (NEPA) documentation preparation and compliance, which is necessary to complete for each project prior to construction. The overall Project schedule remains the same, but the end date for the planning phase has been updated to the end of FY16. This change is to reflect the fiscal year in which the planning-to-design transition reports were completed - the Calero Guadalupe Dam Seismic Retrofit Project (November 2015) and the Guadalupe Dam Seismic Retrofit Project (March 2016). The uninflated Project cost has increased as a result of Amendment No. 6 to Agreement No. A3675A with GEI Consultants, Inc., to continue providing support for environmental planning and regulatory permitting and compliance for both the Calero Dam Seismic Retrofit Project and Guadalupe Dam Seismic Retrofit Project through June 30, 2028. The revised inflated TPC is \$18.38 million.

03. 91864005 Anderson Dam Seismic Retrofit (C1)

SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC increased by \$56.45M

The overall Project schedule remains the same, but the proposed end date for design has been extended to account for the final application fee payment to the California Department of Water Resources, Division of Safety of Dams (DSOD), for the repair of Anderson Dam. The end date for the right-of-way phase has also been extended to the end of FY28 and reflects acquisitions (easements and fee title) that are needed by year two of construction. The uninflated Project cost has increased by \$113.90 million, driven by a \$115.68 million rise in the construction phase, partially offset by a \$1.78 million reduction in the pre-construction phases. The expenditure changes reflect the total not-to-exceed amount (\$180 million) for the construction management services agreement approved by the Valley Water Board of Directors in August 2025, which increased the plan by \$88 million. This increase was a result of extensive discussions and negotiations on the construction management scope of services and associated costs. Other estimated cost changes include a \$23 million increase in the anticipated consultant services agreement for engineering support during construction; the addition of nearly \$9.5 million for Valley Water labor resources needed to support the Project through construction completion; an increase of \$1.95 million for a new consultant services agreement for an owner-controlled insurance program; an increase of \$400 thousand in utility-related costs; and a reallocation of approximately \$7.3 million among construction phase tasks. The revised inflated TPC is \$2.03 billion.

04. 91864006 Anderson Dam Tunnel Project

SCHEDULE AND COST – Overall schedule reduced by 9 months/Inflated TPC increased by \$12.26M

The overall Project schedule is reduced by 9 months. Valley Water issued Contract Document Clarifications (CDC) 048.1, 050, 057, and 061 to address design changes in the concrete final tunnel lining design, which encompasses procurement and installation of rebar for the articulated joints and continuous lining, fabrication and installation of all required formwork, concrete work for encasement of the articulated joints and continuous lining, curing and removal of formwork, and finishing the concrete surface. The uninflated Project cost and Expenditure Plan have been revised to incorporate schedule adjustments, updated Valley Water labor estimates necessary to support construction completion and Project close-out, and an amendment to the consultant agreement for construction management services approved by the Valley Water Board of Directors on June 25, 2025. The revised inflated TPC is \$307.51 million.

05. 91864007 Coyote Creek Flood Management Measure

SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC decreased by \$6.08M

The overall Project schedule remains unchanged; however, the Right-of-Way phase has been extended, with an anticipated completion date of June 2025. Final settlement amounts on a few remaining easements are currently being negotiated as part of eminent domain actions, and additional real estate expenses have been included in FY25 to account for the anticipated settlements. The actual settlement values for these easements are not yet known, as discussions among external counsel, real estate appraisers, and attorneys/courts are ongoing, but a conservative estimate has been incorporated into the current budget request. Construction expenditures for FY25 have been reduced because the contractor's bid came in lower than anticipated, and construction is now substantially complete, allowing Valley Water to reduce these expenses for the Project. The revised inflated TPC is \$95.36 million.

06. 91864008 Coyote Creek Chillers

SCHEDULE AND COST – Overall schedule extended by 5 months/Inflated TPC increased by \$965K

The overall Project schedule has been extended to March 2026 due to ongoing construction delays. Contributing factors include prolonged design coordination and RFI resolution, extended procurement lead times for critical equipment, field rework required to address unforeseen site conditions, and restricted work windows caused by plant operations. These factors have shifted the critical path and necessitated additional time for final testing and commissioning. Project expenditures have increased because of the extended construction timeline. The primary contributors are additional labor and equipment expenses, prolonged construction management support, and higher material prices resulting from delayed procurement and schedule setbacks. The revised inflated TPC is \$29.77 million.

07. 91864009 Coyote Percolation Dam Replacement

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC remains the same

The overall Project schedule has been extended by one year due to delays in PG&E's installation of power improvements. There is no change to the uninflated Project cost, only reallocation of expenditures to match the schedule. The revised inflated TPC remains at \$17.74 million.

08. 91874004

Calero Dam Seismic Retrofit - Design & Construction

SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC decreased by \$4.05M

The overall Project schedule remains unchanged; however, the Right-of-Way (ROW) completion date has been extended to June 2032 to align with the updated design phase timeline. Procurement for Construction Package B will begin in FY32 and will be integrated into ongoing design phase activities. The most significant increases in Project costs result from a reassessment of environmental labor expenses, using data from comparable projects to refine cost estimates. In addition, costs associated with environmental engagement and monitoring during the construction phase of Package A have now been incorporated. Updated estimates have also led to adjustments in construction supervision and Computer-Aided Design and Drafting (CADD) Unit costs to ensure the budget accurately reflects current market conditions and project requirements. Projected ROW phase costs may increase further as negotiations and cost discussions with affected entities are finalized. The revised inflated TPC is \$158.38 million.

09. 91884003

Coyote Dam Seismic Stability

COST ONLY – Inflated TPC decreased by \$6.35M

The expenditures have been updated to reflect adjustments in Valley Water labor resources for FY26 through FY28, as well as a revised timeline for Board approval of the planning consultant agreement, which has shifted from late FY26 to early FY27. The revised inflated TPC is \$400.13 million.

10. 91894002

Guadalupe Dam Seismic Retrofit - Design & Construct

SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC increased by \$5.36M

The overall Project schedule remains unchanged; however, the completion date for Right-of-Way (ROW) acquisition has been extended to June 2032 to align with the projected completion of the design phase. The start of construction has been rescheduled to April 1, 2029, reflecting the updated project timeline. Approximately \$3.9 million in cost increases have resulted from a reassessment of environmental labor costs, informed by data from comparable projects, and additional costs for environmental engagement and monitoring have been incorporated for Construction Package A. Another \$4.8 million in cost increases is attributed to changes in the project delivery strategy, specifically related to alternatives analysis for maintaining downstream creek flows during construction. The Guadalupe Dam retrofit will now proceed through two separate construction packages: Package A, which includes the embankment,

spillway, and rehabilitation of the existing outlet pipe riser; and Package B, which covers construction of the new outlet works. This revised strategy has resulted in higher design costs. An additional cost increase of approximately \$1.3 million is due to reassessed Valley Water supervision requirements for the construction contract, ensuring appropriate oversight and management throughout project execution. Projected costs for the ROW phase may increase further as negotiations and discussions with affected entities are finalized. The revised inflated TPC is \$146.07 million.

11. 91954002 Pacheco Reservoir Expansion Project

SCOPE, SCHEDULE, AND COST – Overall schedule reduced by 10 years and 6 months/Inflated TPC decreased by \$2.59B

On August 26, 2025, Valley Water's Board of Directors voted to suspend development of the Pacheco Reservoir Expansion Project. Consequently, design work has been halted, and Valley Water staff and consultants are proceeding with project closeout. As a result, the expenditure plan has been updated to remove dollars in FY27 through FY37. A reduction to FY26 expenditure is anticipated and will be reflected in a forthcoming Change Management Memo following FY26 year-end close. The revised inflated TPC is \$146.04 million.

WATER SUPPLY – TRANSMISSION FACILITIES:

12. 95084005 Penitencia Delivery Main and Force Main Inspection & Rehabilitation

SCOPE AND COST – Inflated TPC increased by \$1.74M

During the Project's condition assessment with Operations and Maintenance between preliminary and 60% design, additional scope was identified and added to the Project to replace equipment at the end of useful life. The additional scope identified includes: 1) Replacement of a 48-inch Penitencia Force Main (PFM) Line Valve at Piedmont Valve Yard (PVY). This is an essential boundary valve between the PFM and Department of Water Resources' (DWR) South Bay Aqueduct (SBA). Because SBA via the PVY will be our only source of raw water during the upcoming planned back-to-back 6-months shutdown of the San Luis system for the AVP Replacement Project, maintenance and replacement of the proposed valve and appurtenances at the PVY and PFM in advance is essential. 2) Replacement of a 42-inch Penitencia Delivery Main (PDM) Line Valve at the PVY. This is an essential boundary valve between PDM and the Milpitas Pipeline. Replacement of the proposed valve will allow Milpitas Pipeline I&R Project to do planned future rehabilitation work without having to shutdown Penitencia Water Treatment Plant and eliminate impacts to water retailers upstream. The overall uninflated Project cost is being increased by \$1.8 million to account for an updated

engineer's estimate, which includes the additional scope identified during the Design phase and anticipated higher contractor overhead costs associated with the Project's procurement strategy. The Project's material procurement strategy involves awarding the project earlier to provide time for the contractor to obtain construction materials. This procurement strategy extends the construction duration, requiring additional contractor time to support the construction contract. The revised inflated TPC is \$6.99 million.

13. 95084006 Santa Teresa Force Main Inspection & Rehabilitation

SCOPE, SCHEDULE, AND COST – Overall schedule remains the same/Inflated TPC increased by \$6.98M

During the Project's condition assessment with Operations and Maintenance, between the preliminary and 60% design phases, additional scope was identified and incorporated to replace equipment nearing the end of its useful life. This added scope includes developing and implementing a fire protection plan during the plant shutdown, installing cathodic protection, replacing the 72-inch Santa Teresa Force Main Line Valve and associated appurtenances, completing appurtenance work at the Santa Teresa Water Treatment Plant (STWTP) Inlet and Pressure Reducing Vault, installing a new 24-inch static mixer at the Thompson Creek Line Valve to support pipeline disinfection, providing equipment for periodic disinfection and flushing of the Snell Pipeline and STWTP during the shutdown, and performing pipeline inspection, rescue crew, and supplemental repair services. The overall Project schedule remains unchanged; however, the design phase has been extended to accommodate the added scope, while the construction contract duration has been reduced to address staff resource constraints and updated material lead times. The uninflated Project cost increased by \$6.70 million, reflecting a \$151,000 increase in design costs for the additional scope identified during the condition assessments and a \$6.54 million increase in construction costs based on the updated engineer's estimate, which accounts for the expanded scope and higher contractor overhead costs anticipated under the project's material procurement strategy. Awarding the contract earlier will allow sufficient time for material procurement, though this approach extends the overall construction duration and requires additional contractor support. The revised inflated TPC is \$10.40 million.

14. 95084004 East Pipeline Inspection & Rehabilitation

SCOPE, SCHEDULE, AND COST – Overall schedule reduced by 1 year and 10.5 months/Inflated TPC decreased by \$1.94M (inflation only)

The Project scope is being consolidated into a single construction contract scheduled for FY26 and FY27, and the Project schedule has been revised accordingly to reflect this updated scope of work. While planned expenditures have been adjusted to align

with the revised scope and schedule, there is no change to the uninflated Project cost. The revised inflated TPC remains at \$14.45 million.

15. 91854003 Almaden Calero Canal Rehabilitation

SCHEDULE AND COST – Overall schedule extended by 6 months/Inflated TPC increased by \$2.81M

The overall Project schedule has been extended to ensure consistency with the approved Design Phase Work Plan and revised timeline. The uninflated cost for the Almaden-Calero Canal Rehabilitation Project has increased by \$3.47 million, from \$22.60 million to \$26.07 million. This increase reflects updated preliminary design estimates that account for higher construction costs, required environmental mitigation fees, and additional engineering services during construction. The expected construction cost has increased by approximately \$2.5 million, from \$13.31 million to \$15.81 million. Environmental mitigation costs are estimated at about \$800,000, with an additional \$169,000 required for engineering design support during construction. The revised inflated TPC is \$27.10 million.

16. 92264001 Vasona Pump Station Upgrade

SCHEDULE AND COST – Overall schedule extended by 4 years and 11 months/Inflated TPC increased by \$3.39M (inflation only)

Project schedule adjustments are being implemented to address staff resource constraints and the reassignment of the project from Unit 376 to Unit 385. In addition, outages for the Almaden Valley Pipeline and Central Pipeline are required to complete valve replacements that will enable downstream pump station upgrades. As such, the Project schedule is being aligned with the Pipeline Maintenance Program's long-term planned shutdowns for the Almaden Valley and Central Pipelines, which are tentatively scheduled for FY32 and FY33, respectively. There are no changes to the uninflated Project cost; however, planned Project expenditures have been adjusted to reflect the revised schedule. The revised inflated TPC is \$38.59 million.

17. 92304001 Almaden Valley Pipeline Replacement Project

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$36.15 M

The uninflated Project cost has increased by \$34.32 million, from \$80.92 million to \$115.24 million. Construction expenditures for both Phase 1 and Phase 2 account for most of this increase, rising by \$32.34 million—from \$61.46 million to \$93.80 million—based on updated engineer's estimates developed during the final design of Phase 1. These revisions reflect changes to the tasks required to meet Project objectives, as well as new information identified during design related to quality control requirements,

specialized construction methods, and scheduling constraints, all of which contributed to the higher Project cost. Additionally, this 21-year Project plan, initiated in FY20 and extending through FY41, exceeds the 15-year Capital Improvement Program (CIP) planning window. With each rollover period, the CIP incorporates the upcoming fiscal year and associated planned expenditures from the original Project plan. Accordingly, this update adds FY41 to the 15-year projection window, resulting in an additional \$1.98M to the Project cost. The revised inflated TPC is \$139.71 million.

18. 95044001 Distribution Systems Master Plan Implementation Project

SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC increased by \$10K (inflation only)

The overall Project schedule remains the same, but the Planning Phase is extended to include project management tasks and aligns the Planning Phase to the Environmental Phase. There is no change to the uninflated Project cost. The FY26 expenditures were slightly reduced to better reflect historic burn rates. Some expenditures were also moved from Environmental to Planning to accurately capture project management tasks. The revised inflated TPC is \$9.31 million.

19. 95044002 SCADA Master Plan Implementation Project

COST ONLY – Inflated TPC increased by \$21K (inflation only)

Project expenditures were adjusted to accommodate a lengthier-than-planned platform selection process and its impact on subsequent tasks. Environmental planning efforts were also reduced, as recommended by Valley Water's Environmental Planning Support team. The revised inflated TPC is \$6.50 million.

20. 95044004 SMPIP Upgrades - Phase 1

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$997K (inflation only)

This Project was established to provide the resources needed to perform the SCADA communications and control center improvements recommended in the SCADA Master Plan Implementation Project's (95044002) early implementation project planning work. Through that planning work, additional priority SCADA control system improvements have been identified and are being further developed for transition into design and construction as part of this project. The overall Project schedule has been extended by 1 year, in order to align with the progress of the SCADA Master Plan Implementation Project (95044002). The uninflated Project cost remains the same, but expenditures have been adjusted to match the Project schedule. The revised inflated TPC is \$9.42 million.

WATER SUPPLY – TREATMENT FACILITIES

21. 93234044 PWTP Residuals Management (NEW)

SCOPE, SCHEDULE, AND COST – Overall schedule remains the same/Inflated TPC increased by \$36.27M

The change to project scope includes adding measures to integrate this project with the on-site solar field. The change to the project schedule is to correct the environmental phase end date to align with the completion of the CEQA document. Additionally, the Design phase has been extended to account for the additional time needed to finalize our letter of agreement with GL Renewables LLC, Valley Water's solar energy vendor. Lastly, the construction phase was reduced by 1 year, from 5 years to 4 years. The overall Project Schedule remains the same ending May 31, 2030. The uninflated Total Project Cost has increased by \$40.1 million from \$90 million to \$130.1 million. This includes a \$39 million increase to construction phase costs and a \$1 million increase to design phase costs. The primary drivers of the cost increase are; a revised engineer's estimate for 100% Design and actual cost of Contractor's Bid for construction, a 15% construction contingency (\$13.6M), additional engineering services needed to support the integration of this project with the on-site solar field and Letter of Agreement with GL Renewables, LLC, rising costs for raw materials (plastics, metals) and construction labor due to market conditions, supply chain issues, and tariffs. The revised inflated TPC is \$131.63 million.

22. 93044001 WTP Master Plan Implementation Project

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 5 years and 6 months/Inflated TPC increased by \$7.80M

The Project scope originally focused on the development of the Water Treatment Plant Master Plan and Implementation Plan, but also included optional provisions to extend the selected consultant for program management services to support the transition from the planning phase to implementation of the master plan's recommended capital projects. This change in scope is the result of the positive election of optional program management services. The expected completion date for the Water Treatment Plant Master Plan and Implementation Plan has been extended to December 2026. The project team is working with the consultant to amend the agreement to include program management services for a period of 5 years, extending to the end of FY31. These services are necessary to ensure a smooth transition from planning into the Capital Improvement Program for the delivery of capital projects identified in the first ten-year window of the Implementation Plan. Due to the extension of the overall Project schedule by five years to FY31 and the positive election of program management services from

the consultant to support the Water Treatment Plant Maintenance Program, the project will require additional funds to support Valley Water labor and consultant costs.

Estimated costs per fiscal year are \$1.4 million (Valley Water labor - \$400 thousand plus consultant fees - \$1 million). The revised inflated TPC is \$17.05 million.

23. 93084004 Water Treatment Plant Electrical Improvement

SCHEDULE AND COST – Overall schedule extended by 1 year and 1 month/Inflated TPC increased by \$140K (inflation only)

The overall Project schedule is extended by 1 year and 1 month due to the Project being put on hold at the end of March 2024 because of unanticipated reduced staffing resources, resulting in delays in design, construction, and close-out. There is no change in the uninflated Project cost, only the reallocation of expenditures to align with the updated schedule. The revised inflated TPC is \$19.52 million.

24. 93295057 RWTP Reliability Improvement (NEW)

COST ONLY – Inflated TPC decreased by \$1.89M (inflation only)

The adjustment in annual spending allocations across fiscal years is to revert to the previously approved planned expenditures, as a recent forecast determined that no additional funds are needed for FY26. The revised inflated TPC is \$718.80 million.

25. 93294059 RWTP Ammonia Storage & Metering Facility Upgrade

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$55K (Inflation only)

The overall Project schedule is extended by 1 year due to the request from Operations to switch chemical type from Aqua Ammonia to Liquid Ammonia Sulfate (LAS).

Additionally, the construction start date needs to align with the scheduled completion of RWTP Reliability Improvement Project. The uninflated Project cost remains the same, but expenditures have been reallocated to match the schedule. The revised inflated TPC is \$6.83 million.

WATER SUPPLY – RECYCLED WATER FACILITIES:

26. 91094009 South County Recycled Water Pipeline - Short-Term Implementation Phase 1B (NEW)

SCOPE, SCHEDULE, AND COST – Overall schedule remains the same/Inflated TPC increased by \$2.96M

In 2021, Project's Phases 1B/2A/1C/2B were bid and awarded under the South County Recycled Water Pipeline Short-Term Phase 1B/2A/1C/2B Project (Contract No. C0668).

Phase 1C was unable to proceed under Contract No. C0668 because easements were not secured in sufficient time. During FY26, there were design efforts to repackage, bid and award the Phase 1C scope of work under the South County Recycled Water Pipeline Phase 1C Project (Contract No. C0723). On September 23, 2025, Valley Water's Board awarded Contract No. C0723 for construction, with construction activities expected to occur through May 2026. As this is a separate contract, there will be additional efforts to close-out the project. The Design phase has been extended to align with the expanded scope of work, but the overall Project schedule remains the same. The uninflated Total Project Cost is being increased by \$2.96 million to account for the following. 1. Design costs are being increased by \$150 thousand to account for staff time to repackage, bid and award the Phase 1C scope of work under Construction Contract C0723. 2. Construction costs are being increased by \$2.68 million to reflect construction bids received for construction contract C0723 – South County Recycled Water Pipeline Phase 1C and staff time to support the construction contract 3. Close-out costs are being increased by \$129 thousand to reflect that there will be close-out activities for both Contract C0668 – South County Recycled Water Pipeline Short-Term Phase 1B/2A/1C/2B and C0723 – South County Recycled Water Pipeline Phase 1C. The revised inflated TPC is \$45.81 million.

27. 91094010 South County Recycled Water Pipeline - Short-Term Implementation Phase 2

COST ONLY – Inflated TPC increased by \$392K

Project expenditures increased due to higher construction material costs. The Project operates under a cost-share agreement with the City of Gilroy and is dependent on their timeline for completion. The revised inflated TPC is \$9.01 million.

FLOOD PROTECTION – LOWER PENINSULA WATERSHED:

28. 10394001 Palo Alto Flood Basin Tide Gate Structure Replacement

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 2 years and 9 months/Inflated TPC increased by \$1.87M

At the request of Watersheds O&M staff, the Project scope was revised to include the removal and replacement of six flap gates. The change in scope extends the construction completion, which will include a monitoring period, resulting in an extension of the overall Project schedule by two years and nine months. The increase in Project expenditures are due to the change in scope, resulting in additional labor costs, required consultant services and a monitoring period. As a result, labor costs associated with design increased to evaluate and integrate design modifications and labor costs associated with construction increased to manage the construction work to remove and

replace the six flap gates, as well as a monitoring period. Additionally, Biological consultant services are a requirement by the City of Palo Alto under its Park Improvement Ordinance permit. To cover the cost impacts of the scope change for FY25 and FY26, budget adjustments were approved by the Board in August 2025 (Item# 25-0568). The revised inflated TPC is \$13.15 million.

29. 26284002 San Francisquito Creek - San Francisco Bay to Searsville Dam (E5)

COST ONLY – Inflated TPC decreased by \$2.41M (inflation only)

The overall uninflated Project cost remains the same. Expenditures were reallocated to account for Newell Road construction cost sharing that will occur in FY27. The revised inflated TPC is \$107.14 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

FLOOD PROTECTION – WEST VALLEY WATERSHED:

30. 26074002 Sunnyvale East and West Channels

SCHEDULE AND COST – Overall schedule extended by 3 years/Inflated TPC increased by \$70.49M

The design and environmental schedule have been extended to support regulatory permit applications and negotiations and the Right-of-Way schedule has been extended to support temporary construction access. Consequently, the construction schedule has been delayed. The overall Project schedule is being updated to reflect the three-year native vegetation establishment period (FY30-FY32), that occurs after construction of the flood protection improvements, extending the overall Project schedule by 3 years. An updated cost estimate was developed, resulting in an increase to the uninflated Project cost. The previous construction estimate was performed in 2018 and did not account for the significant cost escalation experienced in public works projects since that time. The updated estimate includes additional design costs necessary to finalize the Project design and additional Construction Management services required to manage the Project. The revised inflated TPC is \$160.93 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be

assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

FLOOD PROTECTION – GUADALUPE WATERSHED:

31. 30154019 Lower Guadalupe River Capacity Restoration Project

SCOPE, SCHEDULE AND COST – Overall schedule reduced by 3 years and 6 months/Inflated TPC decreased by \$76.11M

The Project scope has been significantly reduced to address organizational funding constraints. Instead of the previously planned structural improvements to restore 100-year channel capacity, the Project will now focus on a two-phased vegetation removal effort to address capacity deficiencies. The Project schedule has been updated accordingly to align with this revised approach. Phase 1 design, environmental review, and construction are scheduled for completion by December 2027, while Phase 2 design and environmental work are planned for completion by June 2028, with Phase 2 construction to be completed by December 2029. Overall, the Project schedule has been shortened by 3.5 years. To align with the reduced scope, the uninflated Project cost has been adjusted to reflect the updated plan. The revised inflated TPC is \$34.29 million.

32. 26154003 Guadalupe Rv–Upper, SPRR-Blossom Hill (R7-12)

SCHEDULE AND COST – Overall schedule extended by 5 years and 9 months/Inflated TPC increased by \$4.33M (inflation only)

The Project schedule has been updated to match the schedule provided by U.S. Army Corps of Engineers (USACE). The USACE has requested an extension to complete their general reevaluation report (GRR) in September 2032 and is awaiting approval from USACE headquarters. Design, Right-Of-Way, Environmental, Construction, and Close-out phases have also been pushed out accordingly, and associated expenditures have been adjusted to align with the new schedule. The overall total Project cost remains the same. The Planning phase includes expenditures for Valley Water's 50% cost share of \$3.59M to complete the GRR, which is required by USACE and has been distributed from FY26 to FY31, as well as Valley Water staff labor to continue evaluation of Valley Water led project opportunities while continue to support the USACE's GRR. Design and Right-Of-Way expenditures have been reallocated to better align with the tasks necessary to complete the Planning, Environmental, and Construction phases. Environmental work, which was previously being completed by a consultant, is now being completed by internal staff. Additionally, expenditures have been included for completion of house demolitions which were necessary to the Project and expenditures for Valley Water internal labor have been

updated based on current estimates by the project team. The revised inflated TPC is \$89.96 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

FLOOD PROTECTION – COYOTE WATERSHED:

33. 26174043 Coyote Creek, Montague Expressway to Tully Road (E1)

SCHEUDLE AND COST – Overall schedule remains the same/Inflated TPC increased by \$37.18M

The overall Project schedule remains the same, but the Right of Way phase has been extended by 1 fiscal year to anticipate additional internal and external stakeholder coordination efforts required to complete the required land right acquisitions. There have been changes to the uninflated Project cost due to additional coordination efforts required to acquire environmental regulatory permits, additional efforts required to finalize the design contract documents and related coordination efforts with various external stakeholders required for project approval, required utility relocation efforts prior to the start of construction, anticipated additional stakeholder coordination efforts necessary to complete the required land right acquisitions, and coordination with construction cost estimating staff and manufacturers/vendors to best reflect the most current project contract documents and current construction market and inflation outlook. Additionally, construction contingency cost and costs for construction of backflow prevention measures (flap gates, inline check valves, and new manholes with flap gates) was not accounted for in previous construction cost estimates. The passive barriers utilized in the Coyote Creek Flood Protection Project are non-standard flood protection elements which constitute the largest single item of construction cost. The revised inflated TPC is \$281.76 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

34. 40174005 Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 2

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$154K

The addition of scope to this Project is due to an unforeseen circumstance. During the process of preparing the Letter of Map Revision (LOMR) certification package, the H&H Unit identified two storm drain outlet facilities beneath the Milpitas Blvd bridge that require two new flapgates to prevent backflow. The bridge and storm drain facilities belong to the City of Milpitas; but they have requested that Valley Water help install the storm drain flap gates. The overall Project schedule will extend by 1 year due to the installation of two flapgates on the City of Milpitas storm drains. The revised inflated TPC is \$90.26 million.

35. 26324001 Upper Penitencia Ck, Coyote Crk-Dorel Dr, Corps (E4) (NEW)

SCOPE, SCHEDULE, AND COST – Overall schedule reduced by 3 years/Inflated TPC increased by \$15.68M

The Project scope is being modified to incorporate additional planning in FY26 and FY27 for targeted risk reduction measures for flooding hotspots, accelerate design activities, and review of phased implementation. The overall Project schedule is reduced by 3 years and the Project expenditures are adjusted to address the flooding hotspots increasing the Total Project Cost. The revised inflated TPC is \$29.86 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

FLOOD PROTECTION - UVAS/LLAGAS WATERSHED:

36. 26174051 Llagas Creek–Upper, Reimbursable (E6a)

COST ONLY – Inflated TPC decreased by \$505K

Two PG&E relocations originally included in the FY26 expenditure plan were eliminated through design modifications that resolved the conflict and relocation issue. As a result, the budget remaining from the reduction in FY26 expenditure will be allocated to Project Reserves. The revised inflated TPC is \$49.67 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

37. 26174052 Llagas Creek–Upper, Corps Coordination (E6a)

COST ONLY – Inflated TPC increased by \$1.17M

The Project overspent in FY25 due to unforeseen Construction Contract claims for Upper Llagas Creek Flood Protection Project - Phase 2A which resulted in an increase to the overall Phase 2A contract cost, including the construction contract contingency. Per the Board Agenda Memo (item 25-0361), the Phase 2A construction contract increase will come from Project Reserves and will increase the overall TPC. The revised inflated TPC is \$166.17 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

38. 26174054 Llagas Creek–Upper, Design (E6a)

COST ONLY – Inflated TPC decreased by \$602K

This Project was originally established to cover all consultant design costs. However, in recent years, construction support under the consultant agreement has been funded through Project number 26174052 instead of 26174054. As a result, this Project now has a surplus budget. The unallocated funds will be transferred to Project Reserves. The revised inflated TPC is \$23.08 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

FLOOD PROTECTION – MULTIPLE WATERSHEDS:

39. 62084001 Watersheds Asset Rehabilitation Progam (WARP)

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$18.23M

WARP is a category, or “bucket,” of projects classified as small capital projects—those with scopes that exceed typical maintenance work and therefore must be bid out under the Public Works Contracts Code. Because of its ongoing nature, the WARP project plan is continuous and extends beyond the 15-year Capital Improvement Program (CIP) window. During each rollover period, the CIP incorporates the upcoming fiscal year from the original Project plan. This update adds FY41 and its planned expenditures of \$10.42 million into the 15-year projection window. In addition, each year a three-year look-ahead is conducted for these small capital projects to update cost estimates and schedules as designs progress, ensuring that the total cost of WARP remains current. The revised inflated TPC is \$326.81 million.

40. 00044026 San Francisco Bay Shoreline

SCOPE, SCHEDULE, AND COST – Overall schedule reduced by 1 year/Inflated TPC decreased by \$57.62M

The current scope, schedule and cost only includes the design and construction scope for the UPRR Closure Structure and Pedestrian Bridge. The USACE received direction to proceed with the originally authorized Reach 4–5 project and subsequently provided some updated draft cost estimates on July 21, 2025. Cost estimates for the complete Reach 4-5 levee, Artesian Slough, Pedestrian Bridge, and Pump Station have not been provided by USACE. USACE is anticipated to release an updated total Project cost estimate in fall 2026 and the Project plan will be updated subject to available Watershed funding. The revised inflated TPC is \$147.10 million.

41. 26444004 San Francisco Bay Shoreline, EIA 5-9

COST ONLY – Inflated TPC decreased by \$374K (inflation only)

The carryforward has been moved to FY27, as it is not needed in FY26. Valley Water has paid its expected cost share for the feasibility study to the US Army Corps of Engineers (USACE) for FY26 and will use the funds for its cost share in FY27. The revised inflated TPC is \$15.18 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

WATER RESOURCES STEWARDSHIP – ENVIRONMENTAL:

42. 20444002 Pond A4 Resilient Habitat Restoration

SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC decreased by \$3.14M.

The construction start date has been adjusted to account for delays in finalizing terms with the dirt broker. However, the overall Project schedule and completion timeline remain unchanged. The uninflated Project cost has decreased by \$2 million due to cost savings achieved through the construction contract. The previous Project estimate included \$2 million for sediment required to construct the habitat bench. However, the contractor has agreed to provide the necessary sediment at no cost and to construct the habitat bench free of charge, utilizing both SMP sediment and the additional free sediment they are supplying. The revised inflated TPC is \$8.29 million.

43. 91864011 Coyote Percolation Dam Phase 2

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$221K (inflation only)

The Project scope for the Coyote Percolation Dam Phase 2 has been modified. The revised scope will include the repair of Pond 10B along Coyote Creek and the associated channel tie-in. In addition, the proposed radial gate replacement (crest gate) has been remodified to address several internal concerns raised during the design review process. These adjustments are necessary to ensure the project meets operational requirements and aligns with updated design and performance expectations. As a result of these scope modifications, the overall Project schedule is expected to be extended by approximately one year. The uninflated Project cost remains unchanged with funds reallocated among tasks to cover additional work and redesigns, ensuring all key elements of the revised scope are completed within the existing budget. The revised inflated TPC is \$7.94 million.

44. 26044003 Ogier Ponds Separation from Coyote Creek (D4.2) (NEW)

SCHEDULE AND COST – Overall schedule reduced by 1 year and 10 months/Inflated TPC increased by \$2.57M.

The overall Project schedule is reduced by 1 year and 10 months. This project schedule is tied to the Anderson Dam Seismic Retrofit Project (ADSRP) and is dependent on ADSRP's timeline for completion. The Design Phase is advanced from FY31 to FY29 to allow for a possible construction start in FY29. Construction expenditures are being removed from this project number and will be moved to a new project number for auditing and funding purposes in the next CIP Cycle (FY28-FY32). The revised inflated TPC is \$9.42 million.

If a change to the scope, schedule, or cost of a Safe, Clean Water project affects the project's KPI(s), delivery timeline, or funding allocations, the modification will be assessed to determine whether initiation of the Safe, Clean Water Program's Change Control Process is required.

WATER RESOURCES STEWARDSHIP – MULTIPLE WATERSHEDS:

45. 20444001 Calabazas/San Tomas Aquino Creek-Marsh Connection

SCHEDULE AND COST – Overall schedule extended by 1 year and 11 months/Inflated TPC increased by \$4.26M

A schedule extension is necessary due to additional feasibility analyses required to select the preferred alternative, which is critical for initiating the long-term modeling. The modeling involves a 50-year simulation period to evaluate long-term flood risks and the extent of tidal marsh establishment. Additional time is also necessary to thoroughly vet

modeling assumptions and to coordinate with related projects, such as the Shoreline Project, to ensure consistency. This effort will help ensure that the long-term modeling accurately assesses project benefits and verifies that the Project will not increase current flood risks. The overall Project duration extends by 1 year and 11 months due to project complexity. Expenditures were adjusted to match the updated Planning Study Report. The design expenditures were adjusted in proportion to the revised construction cost estimate for the final project. The current estimated construction cost is \$39 million, with Valley Water typically allocating 10–15% of the total construction cost for design. The revised inflated TPC is \$19.63 million.

BUILDINGS & GROUNDS:

46. 60204022 Security Upgrades & Enhancements

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$203K (inflation only)

The overall Project schedule is extended from by 1 year, from FY27 to FY28, due to Phase II access control efforts for design, procurement, and award taking longer than anticipated, which resulted in the need to extend the construction phase and closeout. Project closeout is anticipated in June 2028. There is no change to the uninflated Project cost, only reallocation of expenditures to match the schedule. The revised inflated TPC is \$14.48 million.

47. 60204032 Headquarters Operations Building

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$19K (inflation only)

The overall Project schedule has been extended by 1 year due to adjustments in design efforts. Project closeout is expected in FY28. There is no change to the uninflated Project cost, only reallocation of expenditures to match the schedule. The revised inflated TPC is \$14.95 million.

SMALL CAPITAL IMPROVEMENTS – ALL TYPES OF IMPROVEMENTS (No CMMs required):

1. 93764004 Small Capital Improvements, Water Treatment

SMALL CAPITAL FORECAST REVISIONS - Inflated TPC increased by \$64.64M

Small Capital Project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, Project costs are updated each year based on market conditions. These

revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital Project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$154.53 million.

2. 91214010s Small Capital Improvements, San Felipe Reaches 1-3

SMALL CAPITAL FORECAST REVISIONS - Inflated TPC decreased by \$832K

Small Capital Project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, Project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital Project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$44.46 million.

3. 92764009 Small Capital Improvements, Raw Water Transmission

SMALL CAPITAL FORECAST REVISIONS - Inflated TPC decreased by \$186K

Small Capital Project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, Project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital Project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$11.17 million.

4. 94764006 Small Capital Improvements, Treated Water Transmission

SMALL CAPITAL FORECAST REVISIONS - Inflated TPC decreased by \$377K

Small Capital Project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, Project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital Project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$908 thousand.

5. 60204016 Small Capital Improvements, Facility Management (NEW)

SMALL CAPITAL FORECAST REVISIONS - Inflated TPC decreased by \$2.56M

Small Capital Project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, Project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected

expenditures over the forecasted period. The Small Capital Project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$64.01 million.

6. 73274008 Small Capital Improvements, Software Upgrades & Enhancements (NEW)

SMALL CAPITAL FORECAST REVISIONS - Inflated TPC decreased by \$934K

Small Capital Project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, Project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital Project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$13.42 million.

7. 95274003 Small Capital Improvements, WU Computer Network Modernization (NEW)

SMALL CAPITAL FORECAST REVISIONS - Inflated TPC increased by \$1.22M

Small Capital Project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, Project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital Project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$23.98 million.

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