



Santa Clara Valley Water District Board of Directors Meeting

Headquarters Building Boardroom
5700 Almaden Expressway
San Jose, CA 95118

***AMENDED/APPENDED**
11:00 AM CLOSED SESSION AND
1:00 PM REGULAR MEETING
AGENDA

Tuesday, August 13, 2019
11:00 AM

***ITEMS AMENDED AND/OR APPENDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

DISTRICT BOARD OF DIRECTORS

Linda J. LeZotte, Chair, District 4
Nai Hsueh, Vice Chair, District 5
John L. Varela, District 1
Barbara Keegan, District 2
Richard P. Santos, District 3
Tony Estremera, District 6
Gary Kremen, District 7

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

NORMA CAMACHO
Chief Executive Officer

MICHELE L. KING, CMC
Clerk of the Board
(408) 265-2600
Fax (408) 266-0271
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Board of Directors**

***AMENDED/APPEDED
AGENDA**

***ITEMS AMENDED AND/OR APPENDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

Tuesday, August 13, 2019

11:00 AM

Headquarters Building Boardroom

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME CERTAIN:

11:00 AM

Notice to the Public: The Board of Directors meets in Closed Session in accordance with the Ralph M. Brown Act. Following the conclusion of Closed Session discussion, the Board will return for the remaining items on the regular meeting agenda.

2.1. CLOSED SESSION

[19-0677](#)

CONFERENCE WITH LEGAL COUNSEL-CLAIMS

Pursuant to Government Code Section 54956.9 (e) (3)

Receipt of Claims Against District

Unrepresented Claimants: All Unrepresented Claimants Related to

Coyote Creek Flood, February 2017; Names of Claimants on File with the

Clerk of the Board

2.2. CLOSED SESSION

[19-0751](#)

CONFERENCE WITH LEGAL COUNSEL

Pursuant to Government Code Section 54957(a)

THREAT TO PUBLIC SERVICES OR FACILITIES - Consultation with Alex
Gordon, Emergency and Security Manager

2.3. CLOSED SESSION

[19-0678](#)

CONFERENCE WITH LEGAL COUNSEL -

ANTICIPATED LITIGATION

Significant Exposure to Litigation

Pursuant to Government Code Section 54956.9(d)(2)

One Potential Case

1:00 PM

2.4. District Counsel Report.

2.5. Pledge of Allegiance/National Anthem.

- 2.6. Orders of the Day.
A. *Approximate Discussion Time (Board); and*
B. *Adjustments to the Order of Agenda Items.*
- 2.7. Time Open for Public Comment on any Item not on the Agenda.
Notice to the public: This item is reserved for persons desiring to address the Board on any matter not on this agenda. Members of the public who wish to address the Board on any item not listed on the agenda should complete a Speaker Card and present it to the Clerk of the Board. The Board Chair will call individuals to the podium in turn. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Board action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board may take action on any item of business appearing on the posted agenda.

3. WATER UTILITY ENTERPRISE:

- 3.1. Approve Amendment No. 1 to Agreement No. A4242G with Cordoba Corporation for Executive Project Management Services for the Rinconada Water Treatment Plant Reliability Improvement Project, Project No. 93294057, CAS File No. 4953, Increasing the Fee by \$14,538,220, Resulting in a Revised Total Fee of \$14,763,120, and Extend the Agreement Term to July 2021 (Los Gatos) (District 7). [19-0675](#)
- Recommendation: Approve Amendment No. 1 to Agreement No. A4242G with Cordoba Corporation for executive project management services for the Rinconada Water Treatment Plant Reliability Improvement Project, Project No. 93294057, increasing the fee by \$14,538,220, resulting in a revised total fee of \$14,763,120, and extend the Agreement term to July 2021.

Manager: Katherine Oven, 408-630-3126

Attachments: [Attachment 1: Amendment No. 1](#)

Est. Staff Time: 15 Minutes

- *3.2. Update on Delta Conveyance Project and Request for Board Direction on Participation in the Delta Conveyance Project. [19-0781](#)

Recommendation:

- A. Receive an update on the proposed Delta Conveyance Project;
- B. Provide direction to staff regarding principles for participation in the Delta Conveyance Project; and
- C. For the purposes of State Water Project (SWP) contract amendment negotiations and development of an Agreement in Principle (AIP), direct staff to identify a provisional range of participation as a SWP contractor at up to 340 cubic feet per second (cfs) of capacity in the Delta Conveyance Project.

Manager: Garth Hall, 408-630-2750

Attachments: [Attachment 1: Delta Conveyance Discussions Summary](#)
[Attachment 2: SCVWD Resolution No. 17-68](#)
[Attachment 3: SCVWD Resolution No. 18-24](#)
[Attachment 4: Governor's Executive Order N-10-19](#)
[Attachment 5: DWR Infrastructure Q&A](#)
[Attachment 6: PowerPoint](#)
[*Supplemental Board Agenda Memo](#)
[*Supplemental Attachment 1: PowerPoint](#)
[*Handout 3.2-A: Delta Conveyance Working Group Memo](#)

Est. Staff Time: 20 Minutes

4. CHIEF EXECUTIVE OFFICER:

- 4.1. CEO and Chiefs' Report.

5. ADJOURN:

- 5.1. Board Member Reports/Announcements.
- 5.2. Proposed Future Board Member Agenda Items.
- 5.3. Clerk Review and Clarification of Board Requests.
- 5.4. Adjourn to Regular Meeting at 6:00 p.m., on August 27, 2019, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.



Santa Clara Valley Water District

File No.: 19-0677

Agenda Date: 8/13/2019
Item No.: 2.1.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL-CLAIMS

Pursuant to Government Code Section 54956.9 (e) (3)

Receipt of Claims Against District

Unrepresented Claimants: All Unrepresented Claimants Related to Coyote Creek Flood, February 2017; Names of Claimants on File with the Clerk of the Board



Santa Clara Valley Water District

File No.: 19-0751

Agenda Date: 8/13/2019
Item No.: 2.2.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL

Pursuant to Government Code Section 54957(a)

THREAT TO PUBLIC SERVICES OR FACILITIES - Consultation with Alex Gordon, Emergency and Security Manager



Santa Clara Valley Water District

File No.: 19-0678

Agenda Date: 8/13/2019
Item No.: 2.3.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:
CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL -
ANTICIPATED LITIGATION
Significant Exposure to Litigation
Pursuant to Government Code Section 54956.9(d)(2)
One Potential Case



Santa Clara Valley Water District

File No.: 19-0675

Agenda Date: 8/13/2019

Item No.: 3.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve Amendment No. 1 to Agreement No. A4242G with Cordoba Corporation for Executive Project Management Services for the Rinconada Water Treatment Plant Reliability Improvement Project, Project No. 93294057, CAS File No. 4953, Increasing the Fee by \$14,538,220, Resulting in a Revised Total Fee of \$14,763,120, and Extend the Agreement Term to July 2021 (Los Gatos) (District 7).

RECOMMENDATION:

Approve Amendment No. 1 to Agreement No. A4242G with Cordoba Corporation for executive project management services for the Rinconada Water Treatment Plant Reliability Improvement Project, Project No. 93294057, increasing the fee by \$14,538,220, resulting in a revised total fee of \$14,763,120, and extend the Agreement term to July 2021.

SUMMARY:

Construction of the Santa Clara Valley Water District's (Valley Water) Rinconada Water Treatment Plant Reliability Improvement Project (Project) was initiated to increase plant reliability to meet peak summer demands, update technology, and implement process improvements.

In late 2018, due to the Project's circumstances of significant construction delays, poor workmanship, and failure of the construction contractor to comply with Contract Documents, Valley Water staff undertook a streamlined process to hire a firm with water treatment and infrastructure project management expertise to objectively assess the issues relating to late completion by the contractor; to recommend strategies to progress the Project; to attain, at a minimum, completion of Phase 2 (of 5 phases) by the current construction contractor; and to provide construction management expertise, as needed, for the Project.

Valley Water executed Agreement A4242G (Agreement) with Cordoba Corporation (Consultant) in February 2019 for executive project management services for the Project for a not-to-exceed fee of \$224,900. This Agreement also included scope for construction management (CM) services, with the level of effort and correlating compensation amount for this work to be determined after the Consultant performed its initial analysis of the Project status and made recommendations for next steps to achieve Project completion.

Staff is recommending Board approval of Amendment No. 1 to this Agreement which will extend the

Agreement term to July 2021 and encompasses executive project management and an expanded construction management role for a not-to-exceed (NTE) fee of \$14,538,220.

Project Background and Previous Board Actions

Built in 1968 and located in Los Gatos, the Rinconada Water Treatment Plant (RWTP) is one of three district conventional water treatment plants. The RWTP has the capacity to provide up to 80 million gallons of treated water per day (MGD) to the west side of the district's service area, which includes a population of about one million people. The Project will implement treatment process improvements to enable the plant to produce potable water that complies with current and anticipated state water quality regulations. The Project will also improve overall plant reliability by increasing its treatment capacity to 100 MGD.

On September 9, 2014, in advance of anticipated Project construction, the Board approved Agreement No. A3768A with HDR Engineering, Inc. for the Project's Construction Management (CM) services. The approved initial NTE fee for this Agreement was \$9,120,068 for the first two-year period of Project construction. Valley Water's intent was to evaluate performance and exercise the option to extend the term of the Agreement through the end of Project construction.

On May 26, 2015, the Board awarded a \$179,850,000 construction contract (Contract) to Balfour Beatty Infrastructure, Inc. (BBII). The Contract provided for the Project to be built in five phases within a 5-year period. The existing Rinconada Water Treatment plant (RWTP) is to remain operational during the entire construction period, with the newly-constructed facilities and upgrades integrated with plant operations at the end of each phase.

On August 22, 2017, consistent with the original intent, the Board approved Amendment No. 2 to Agreement A3768A with HDR Engineering, Inc. for a revised total NTE fee of \$33,376,676 and extended the Agreement term from September 30, 2017 to September 30, 2021.

At the Board's September 25, 2018 meeting, staff reported on the Project's status, describing the delay in the construction schedule for completion of Phase 2; the extensive formal correspondence staff initiated with BBII in June, 2018; the significant defects in BBII's workmanship; and BBII's lack of diligence to progress the Contract work.

On September 26, 2018, Valley Water provided BBII with notice of assessment of liquidated damages and notice that it would withhold liquidated damages against approved progress payments beginning with the September 2018 progress payment. Valley Water has assessed approximately \$15.6 million in liquidated damages through March 31, 2019, and has withheld approximately \$5.8 million from BBII's progress payments through March 31, 2019.

Consultant Selection Process

In late December 2018, staff solicited interest and availability for EPM services from six consultant firms with such expertise. The list was developed by executive management staff based on their knowledge of firms' services on construction projects undertaken by other public agencies within the

San Francisco Bay area.

Of the six firms that were contacted, four expressed interest but did not have staff resources available to immediately begin work and/or dedicate adequate time to this Project. Staff prepared interview questions, and on January 5, 2019, convened an interview panel to interview the two candidate firms who had expressed interest and confirmed their immediate availability. The interview panel consisted of four Valley Water staff and two staff from external agencies. The panel identified Cordoba Corporation as the best choice for the immediate EPM services and potential construction management services thereafter.

Consultant Work Performed to Date

As described earlier, Valley Water executed Agreement A4242G (Agreement) with Cordoba Corporation (Consultant) in February 2019 for executive project management services for the Project for a not-to-exceed fee of \$224,900. This Agreement included scope for construction management (CM) services, with the level of effort and correlating compensation amount for this work to be determined after the Consultant performed its initial analysis of the Project status and made recommendations for next steps to achieve Project completion.

During the past five months, the Consultant has performed a “deep dive” to ascertain the Project’s construction history, current status, and actions taken by Valley Water and its consultants to enable the Project to be built. The Consultant has also assembled a team of construction management (CM) staff to provide CM services, as needed, for the Project.

In parallel with the Consultant’s efforts, Valley Water management has implemented changes in the Project’s leadership and organizational structure. During the next several months, a transition of roles and responsibilities will occur as the Consultant’s team takes responsibility for the key CM tasks for this Project. The role of HDR Engineering, Inc., who has been performing CM work since Project construction began in 2015, will be significantly reduced. An amendment is currently being prepared to document the reduction in scope and correlating revision to the NTE fee of that Agreement.

Amendment No. 1 to Agreement A4242G

Amendment No. 1 to Agreement A4242G with Cordoba Corporation will increase the not-to-exceed fees for all the originally-listed tasks and extend the term of the Agreement from October 31, 2019 to July 31, 2021. A summary of the tasks and fees for the recommended Amendment No. 1 is presented in Table 1.

Table 1. Summary of Cordoba Corporation Executive Project Management and Construction Management Services Agreement Tasks and Fees

Task	Description	Not-to-Exceed (NTE) Fees
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		Original Agreement	Amendment No. 1	Revised Total
1	Project Management and Coordination	\$10,000	\$701,866	\$711,866
2	Workshops and Transition Services	\$8,500	\$122,800	\$131,300
3	Construction Management	\$60,000	\$7,604,744	\$7,664,744
4	Inspections, Special and Specialty Inspections	\$18,000	\$2,758,857	\$2,776,857
5	Safety Management	\$10,000	\$71,677	\$81,677
6	Training, Testing, Start-up and Commissioning	\$18,000	\$1,304,006	\$1,322,006
7	Public Outreach and Neighborhood Communications	\$5,000	\$200,000	\$205,000
8	Partnering, Claims, and Dispute Management	\$60,000	\$270,705	\$330,705
9	Acceptance and Contract Close-Out	\$10,000	\$110,248	\$120,248
10	Supplemental Services	\$25,400	\$1,393,317	\$1,418,717
	Total Not-to-Exceed Fees	\$224,900	\$14,538,220	\$14,763,120

FINANCIAL IMPACT:

The NTE fee for Amendment No. 1 to Agreement A4242G with Cordoba Corporation is \$14,538,220, resulting in a total NTE fee of \$14,763,120 for Project construction management services through July 2021.

As stated earlier, the role of HDR Engineering, Inc., who has been performing CM services since Project construction began in 2015, will be significantly reduced. Approximately \$15.8 million in unspent fees remain in HDR's current agreement. HDR's agreement will be modified to reduce most of these fees and return them to the Project's budget to cover the cost of Cordoba Corporation's efforts for the next two years.

There are adequate funds in the Project's Board-approved FY2019-20 Budget to encumber the planned FY20 expenditures for this Agreement. Planned encumbrances in future fiscal years will be budgeted on an annual basis.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Amendment No. 1

File No.: 19-0675

Agenda Date: 8/13/2019
Item No.: 3.1.

UNCLASSIFIED MANAGER:
Katherine Oven, 408-630-3126

**AMENDMENT NO. 1 TO AGREEMENT A4242G
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND CORDOBA CORPORATION**

This Amendment No. 1 (Amendment), effective as of the date it is fully executed by the Parties, amends the terms and conditions of the Standard Consultant Agreement A4242G (Agreement), which retroactively commenced February 11, 2019, between the SANTA CLARA VALLEY WATER DISTRICT (District) and CORDOBA CORPORATION (Consultant), collectively the "Parties."

RECITALS

WHEREAS, Consultant is currently performing executive project management services for the District's Rinconada Water Treatment Plant Reliability Improvement Project (Project); and

WHEREAS, the Agreement includes scopes of services for Consultant to perform both executive project management and construction management services during Project construction; and

WHEREAS, the Parties desire to amend the Agreement to provide for Consultant to perform in an expanded role in managing Project construction; and

WHEREAS, the Parties desire to extend the term of the Agreement to provide sufficient time for Consultant to complete all required tasks and to increase the Total Not-to-Exceed fee to provide funds for Consultant to perform executive management and construction management services in an expanded role during Project construction.

NOW, THEREFORE, in consideration of the mutual promises and agreements stated herein and notwithstanding anything to the contrary stated in the Agreement, District and Consultant hereby agree to amend the Agreement as follows:

1. STANDARD CONSULTANT AGREEMENT, Section Twelve, Miscellaneous Provisions, subsection 19. Appendices, is amended to state:

"19. Appendices. The following listed Appendices are incorporated herein by this reference as though set forth in full:

Revised Appendix One - Additional Legal Terms (REVISED)
Appendix Two - Dispute Resolution (UNCHANGED)
Appendix Three - Task Order Template (UNCHANGED)
Appendix Four - Insurance Requirements (UNCHANGED)"

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND CORDOBA CORPORATION**

2. STANDARD CONSULTANT AGREEMENT, Section Twelve, Miscellaneous Provisions, subsection 20. Schedules and Attachments, is amended to state as follows:

“20. Schedules and Attachments. Revised Schedule EPM, Scope of Services, and the following listed Attachments are incorporated herein by this reference as though set forth in full:

Revised Attachment One to Revised Schedule EPM – Fees and Payments (REVISED)
Revised Attachment Two to Revised Schedule EPM – Schedule of Completion (REVISED)

Revised Attachment Three to Revised Schedule EPM – Consultant’s Key Staff and Subconsultants (REVISED)

Revised Attachment Four to Revised Schedule EPM – Reference Materials (REVISED).”

3. Appendix One to the Standard Consultant Agreement, Additional Legal Terms, is amended as stated in Revised Appendix One to the Revised Standard Consultant Agreement, Additional Legal Terms, and incorporated herein by this reference.
4. Schedule EPM, Scope of Services, is amended as set forth in the attached Revised Schedule EPM, Scope of Services, and incorporated herein by this reference.
5. Attachment One to Schedule EPM, Fees and Payments, is amended as stated in Revised Attachment One to Revised Schedule EPM, Fees and Payments, attached hereto and incorporated herein by this reference.
6. Attachment Two to Schedule EPM, Schedule of Completion, is amended as stated in Revised Attachment Two to Revised Schedule EPM, Schedule of Completion, attached hereto and incorporated herein by this reference.
7. Attachment Three to Schedule EPM, Consultant’s Key Staff and Subconsultants, is amended as stated in Revised Attachment Three to Revised Schedule EPM, Key Staff and Subconsultants, attached hereto and incorporated herein by this reference.
8. Attachment Four to Schedule EPM, Reference Materials, is amended as stated in Revised Attachment Four to Revised Schedule EPM, Reference Materials, attached hereto and incorporated herein by this reference.
9. All other terms and conditions of the Agreement A4242G, not otherwise amended as stated herein, remain in full force and effect.

(SIGNATURES WILL FOLLOW ON NEXT PAGE)

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND CORDOBA CORPORATION**

IN WITNESS WHEREOF, THE PARTIES HAVE SET FORTH BELOW THEIR CONSENT TO THE TERMS AND CONDITIONS OF THIS AMENDMENT NO. 1 TO AGREEMENT A4242G THROUGH THE SIGNATURES OF THEIR DULY AUTHORIZED REPRESENTATIVES.

SANTA CLARA VALLEY WATER DISTRICT
District

CORDOBA CORPORATION
Consultant

By:

Linda J. LeZotte
Chair, Board of Directors

By:

Randall D. Martinez
Executive Vice President & COO

Date:

Date:

ATTEST:

Michele L. King, CMC
Clerk, Board of Directors

Firm Address:

1401 North Broadway
Los Angeles, CA 90012

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED APPENDIX ONE TO THE
REVISED STANDARD CONSULTANT AGREEMENT
ADDITIONAL LEGAL TERMS**

1. Conflict of Interest, Future Services

Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant shall not submit a proposal:

- A. For any contract to be awarded for planning, design, construction management or the construction of any project that is related to the Services provided pursuant to this Agreement;
- B. In response to any request for proposal or District solicitation developed or prepared by or with the assistance of Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant; or
- C. For any single or sole source products/services related to the Services pursuant to this Agreement or have a financial stake in any single or sole source products/services resulting from this Agreement.

2. Dispute Resolution

If a dispute occurs between the Parties as a result of this Agreement, then the Parties agree to use the Dispute Resolution process outlined in Appendix Two of the Revised Standard Consultant Agreement, Dispute Resolution.

3. Small Business Enterprise (SBE) Participation

This Agreement provides for the Consultant to include California Department of General Services certified Small/Micro Businesses in the performance of the Services, estimated to be 11% or more of the Total Not-to-Exceed Fees stated in Revised Attachment One, Fees and Payments, to the Revised Schedule(s), and Consultant agrees to use its best efforts to meet this goal.

4. Task Order Approvals

- A. Services to be performed pursuant to a Task Order may only commence once a specific Notice to Proceed for that Task Order has been issued by the District.
- B. Task Orders are subject to approval by the District Deputy Officer unless delegated to the Unit Manager.
- C. District Unit Manager(s) is authorized to approve individual Task Orders in an amount not-to-exceed \$100,000.
- D. The total not-to-exceed amount for any one Task Order shall not exceed \$ [NOT USED].

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

1. Representatives (REVISED)

- A. The District's representatives are as listed below. Unless otherwise provided in this Agreement, all correspondence to the District must be addressed to the District Project Manager (DPM).

Emmanuel Aryee (District Project Manager)
Capital Engineering Manager
West Side Project Delivery
Water Utility Capital Division
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: (408) 630-3074
Email: earyee@valleywater.org

Katherine Oven
Deputy Operating Officer
Water Utility Capital Division
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: (408) 630-3126
Email: koven@valleywater.org

- B. The Consultant's Project Manager is as listed below. All District questions pertaining to this Agreement shall be referred to the Consultant's Project Manager.

Stephan Tucker (Consultant Project Manager)
Program Manager
Cordoba Corporation
1611 East 17th Street
Santa Ana, CA 92705

Phone: 310-877-7909
Email: stephan.tucker@cordobacorp.com

- C. The Consultant's Principal Officer for this Agreement is as listed below. As per the Agreement, Section Twelve, Miscellaneous Provisions, subsection 18. Notices, all notices pertaining to this Agreement must be submitted to the Consultant's Principal Officer.

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

Randall D. Martinez (Consultant Principal Officer)
Executive Vice President & COO
Cordoba Corporation
1401 N. Broadway
Los Angeles, CA 90012

Phone: (213) 895-0224
Email: rmartinez@cordobacorp.com

2. Scope of Services (REVISED)

The purpose of this Schedule EPM, Scope of Services is to provide executive project management and construction management services for the District's Rinconada Water Treatment Plant Reliability Improvement Project (Project), currently in the construction phase.

3. Project Objectives (UNCHANGED)

A. The objectives for the Project are listed below:

- 1) Design and construct a robust process train for reliable production of treated water that complies with current and reasonable anticipated regulations, and is flexible in addressing emerging contaminants under a wide range of source water quality scenarios;
- 2) Increase the operational flexibility and reliability of the plant;
- 3) Increase the ability to treat taste and odor compounds; and
- 4) Provide filter-to-waste and wash-water clarification capabilities.

4. Project Background (REVISED)

- A. The District manages an integrated water resources system that includes the supply of clean safe water, flood protection, and stewardship of streams on behalf of Santa Clara County's 1.8 million residents and businesses. The District effectively manages ten dams and surface water reservoirs, three water treatments plants, nearly 400 acres of groundwater recharge ponds and more than 275 miles of streams.
- B. On May 26, 2015, the Board awarded a \$179,850,000 construction contract (Construction Contract) to Balfour Beatty Infrastructure, Inc. (Contractor) for the Rinconada Water Treatment Plant Reliability Improvement Project. The Construction Contract provided for the Project to be built in five phases within a 5-year period.
- C. Project construction, which was originally scheduled to be completed within five years from the Construction Contract start date, includes five major Milestones that must be

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

completed in sequential order as follows:

- 1) Milestone 1 - Mobilization;
 - 2) Milestone 2 - Raw Water Flow Control and Metering Facility, Ozone Contactors, Flash Mix Facility, Flocculation/Sedimentation Basins and temporary settled water conveyance, and Washwater Recovery Facility;
 - 3) Milestone 3 - Demolition of Existing Clarifiers;
 - 4) Milestone 4 - Filters, Ozone Generation Building, Chlorine Contact Basins, Liquid Oxygen Area; and
 - 5) Milestone 5 - Fluoridation and Sodium Hypochlorite Facilities, Demolition of Existing Filter, and Demobilization.
- D. The existing Rinconada Water Treatment Plant (RWTP) is to remain operational during the entire construction period, with the newly-constructed facilities and upgrades integrated with plant operations at the end of each phase. The Project is approximately 56% constructed, with Phase 1 being completed and Phase 2 currently under construction.
- E. Phase 2 of the work includes the construction of several new facilities for the upgraded treatment system at the RWTP: the flocculation/sedimentation, ozone contactor, and wash water recovery facilities. It also includes the installation of an electrical control building and appurtenant wiring and control systems; significant underground piping; and chemical feed systems.
- F. Contractor's current estimated completion date of Phase 2 work is nearly 3 years late per the original Phase 2 construction schedule. Reliable update schedules have not been received by the District, so a reasonably accurate completion date for Phase 2 cannot be ascertained at this time. The Parties have been engaging in informal and formal communications and partnering sessions to address the District's concerns regarding quality of the construction work; the ongoing need to comprehensively remedy construction defects; Contractor deviations from the Construction Contract Documents; and an apparent lack of diligence to progress the Construction Contract work.
- G. On September 26, 2018, the District assessed liquidated damages totaling approximately \$11M, which amount to date, now totals \$15.6M and continues to increase monthly. Since then, the District has been withholding monthly progress payments to Contractor against this increasing amount.

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

5. Assumptions and Requirements (REVISED)

A. General Assumptions and Requirements

- 1) Manage Scope of Services.** Consultant shall manage the Scope of Services such that the work is completed within the Not-to-Exceed Fees limit and in accordance with the Project schedule and ensure that all services and deliverables meet the District and Project requirements.
- 2) Deliverable Format.** Consultant shall submit deliverables in both electronic and hardcopy format. Deliverables shall be submitted in PDF and native (editable) format, including Word documents, Excel spreadsheets, PowerPoint files, AutoCAD files, etc. Consultant will prepare documents in accordance with District guidelines and formats. Consultant will ensure the technical level of writing be such that the material is fully understandable by a person without specific training in the field at hand but without compromising its value to the target audience. The target audience includes technical, managerial, and executive personnel, as well as the District's Board of Directors, staff, and the public.
- 3) Review of Deliverables.** The District will review and comment on all Project deliverables and send them back to the Consultant for revision and preparation of final versions as determined by the District, some of the deliverables may also be subject to review and comment from regulatory agencies and stakeholders following the District review process. Unless an exception is allowed by District, Consultant will submit all deliverables in draft and final versions. The draft deliverables will be in electronic format and the final deliverables in both electronic and hardcopy format. All documents produced by the Consultant will be well written in standard, proper English, generally conforming to a widely-accepted style manual consistent with the product. Should the Consultant submit a draft or final product or products with extensive errors or which is substantially incomplete, the product or products may be returned to the Consultant without complete reviews from the District for the Consultant to make corrections and revisions and resubmit the product or products, at no additional cost to the District.
- 4) District Quality Environmental Management System.** The District maintains a Quality Environmental Management System (QEMS) which has procedures, guidelines and work instructions for the performance of various District work. If requested, the Consultant will perform some of the Agreement tasks and/or sub-tasks in accordance with the QEMS framework. In such situations, the District Project Manager (DPM) will provide the Consultant with the specific QEMS procedure, guideline, and/or work instruction prior to the production of deliverables.
- 5) Consultant Responsibility.** Consultant, with its expertise in the provision of the listed services, is responsible for making the appropriate assumptions in each task to complete each task's deliverables and to achieve the Project objectives of this

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Agreement as described in Article 3. Project Objectives. Consultant will not knowingly cause a delay in the construction schedule or an increase in construction cost.

- 6) Document Control.** Consultant is responsible for establishing and maintaining its own document control system to execute this Scope of Services. An internal document control system for this Project is maintained by the District.
- 7) File Exchange Service.** Consultant will provide a file exchange service, accessible to all parties as designated by the District, to facilitate communications; particularly of large files over three megabytes. Difficulties in using and transmitting information with this exchange service shall be resolved by the Consultant. In the event that transmitting or receiving information does not occur in a timely manner, the District will not be responsible for delays in completing Project work. Consultant may need to coordinate with District's Information Technology Division to address any firewall issues and/or permissions required to allow for these communications.
- 8) Consultant Authority.** Consultant has no authority to authorize any deviation from the Construction Contract Documents or substitution of materials or equipment, unless authorized by the District.
- 9) Contractor Responsibility.** Consultant will not undertake any of the responsibilities of the Contractor, Subcontractors, or Contractor's superintendent except as provided in the Construction Contract Documents and specifically approved by the District.
- 10) Testing and Inspections Responsibility.** Consultant will not participate in specialized field or laboratory tests or inspections conducted by others for purposes unrelated to construction, except as specifically authorized by the District.
- 11) Acceptable Conduct.** Consultant will not cause or allow any practice, activity, decision, or organizational circumstance, which is either unlawful, imprudent or in violation of commonly accepted business and professional ethics.
- 12) Public Credibility.** Consultant will not endanger the District's public image or credibility, particularly in ways that would hinder the District in accomplishing its mission.

B. Project-Specific Assumptions and Requirements [NOT USED]

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6. Scope of Services Tasks (REVISED)

Task 1—Program Management and Coordination (REVISED)

The purpose of this task is to describe the overall responsibilities of the Consultant's Program Manager to organize Consultant's team and manage the construction of the Project. Consultant's development of a coordinated work approach and Work Plan will facilitate the accomplishment of the Project goals including management of Consultant and construction contracts with timely reporting and communication with the District on key issues. The Consultant will prepare a Consultant Services Work Plan and a QA/QC Plan, create and maintain a Risk Management Plan, monitor and track the Baseline Cost and Schedule, prepare weekly and monthly Progress Reports, and conduct various meetings to manage the Consultant's Agreement; administer the Construction Contract, and assist the District with communications and coordination with external agencies, public outreach and neighborhood communications.

- 1.1 Consultant Services Work Plan (CSWP).** Consultant will prepare a CSWP in accordance with the scope of services and shall include an organization chart, a list of the roles and responsibilities of each team member as well as sub-consultants and their staff, and the Consultant's approach to effectively manage and administer the Construction Contract including processes, procedures, techniques and methods to monitor the construction schedule and the Contractor's budget, communication protocols, document control and other administrative procedures.
- 1.2 Consultant Services Quality Assurance and Quality Control (QA/QC) Plan.** Consultant will prepare a QA/QC Plan of the Consultant's procedures to monitor the performance and provision of the services and deliverables to meet District requirements, accepted industry and construction management professional practices, and standard of care.
- 1.3 Risk Management Plan.** Consultant will create and maintain a risk management plan that will include the identification of known risks, potential impacts and probability, risk response strategies, and mitigation measures which will minimize or resolve impacts to the Project.
- 1.4 Baseline Cost & Schedule Monitoring.**
 - 1.4.1** Consultant will monitor and track the actual progress and completed activities against the planned activities on the baseline cost and schedule from the Contractor's cost-loaded baseline cost. Consultant will prepare an Actual Progress and Completed Activities against Planned Activities Report on a monthly basis.
 - 1.4.2** Consultant will monitor and track the construction budget and schedule and report any early warning indicators to the DPM, while ensuring these are addressed in a timely

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fashion. Consultant will prepare a Budget and Schedule Report with Early Warning Indicators on a monthly basis.

- 1.5 Construction Contract Weekly and Monthly Progress Report.** The Construction Contract Weekly and Monthly Progress Report shall provide an overview of the construction activities and progress toward completion of the construction of the Project.
- 1.5.1 Consultant will develop a weekly progress report template that will be used to report on the weekly construction progress. The report will include but not be limited to a summary of the construction activities of the week (inspectors and their daily/weekly summary reports, Contractor's weekly reports, an analysis of the cost and schedule performance metrics, mitigation measures, updates to risks and their status, a summary report for the Contractor payments, a summary report for RFIs, Submittals, PCOs, COs, DCOs.
- 1.5.2 Consultant will prepare a monthly progress report that will be a high-level summary of the month's activities with an overall analysis of the Project's progress including the issues and concerns and a look-ahead schedule for the following month's activities.
- 1.6 Management Meetings.** The Consultant will organize and conduct the following meetings at a frequency mutually agreed upon or as directed by the District. Consultant will prepare agendas and minutes for these meetings.
- 1.6.1 Monthly progress meetings with the Consultant and DPM to review the monthly invoice and progress report (refer to the Standard Consultant Agreement, Section Four, subsection 2. Consultant Monthly Invoices, paragraph C), risk management issues, action items and decision logs, other issues and concerns.
- 1.6.2 Weekly construction progress meeting with the Contractor, District and other participants as necessary to discuss construction progress and planned work, submittals, RFIs, construction issues, potential change orders, safety, the review of recent activities and agenda items, exchange of new information, planning and coordination of upcoming construction and related activities, as well as any other areas for discussion.
- 1.6.3 Special technical meetings to resolve issues with Contractor, utilities (e.g., Pacific Gas & Electric), regulators, and local agencies having jurisdiction (including Department of Health Services, fire department, Bay Area Air Quality Management District), District's plant operations staff and contractors, and any participants.
- 1.6.4 One-on-one meetings with District to provide a brief update of the Consultant's activities completed within the week, the look-ahead activities, and the issues and actions that require the District's attention, in a weekly/bi-weekly meeting/conference call with the DPM.
- 1.7 Coordination and Communication.** Consultant will assist the District, if requested, with the coordination and communication with external agencies and Project participants,

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including the District's management and operations staff, CDM Smith (District Designer), and the Contractor, including support in drafting correspondence related to the Consultant's Construction Management activities and other related issues.

- 1.7.1 Serve as the primary point of communication for coordination between the Contractor, the District, District's Designer, and other parties; receive Contractor correspondence prepare draft responses; and transmit District-approved responses.
- 1.7.2 Consultant shall establish, implement, manage and maintain a Master Calendar of all significant events and meetings for the construction, and a Master Project Directory listing all Project participants, their role on the Project, address, phone number(s), email address, and other pertinent information, which shall be accessible by all team members.

1.8 Project-Specific Subtasks.

None

Task 1—Deliverables.

- 1. Consultant Services Work Plan. [1.1]
- 2. Consultant Services QA/QC Plan. [1.2]
- 3. Risk Management Plan. [1.3]
- 4. Actual Progress and Completed Activities against Planned Activities Report. [1.4.1]
- 5. Budget and Schedule Report with Early Warning Indicators. [1.4.2]
- 6. Construction Contract Weekly & Monthly Progress Reports. [1.5]
- 7. Agenda & Minutes for meetings. [1.6]
- 8. Master Calendar & Master Project Directory. [1.7.2]

Task 1—Assumptions.

None.

Task 2— Workshop and Transition Services (REVISED AND RENAMED)

- 2.1 Transition Services.** Consultant will provide necessary services to transition almost all of the existing construction management team and work to the Consultant's construction management team. Consultant will produce a Transition Services Report, which will include a plan for the transition, including but not limited to, activities to be performed during the transition, the work Consultant will assume from the current construction management consultant, and the staffing plan by month.
- 2.2 Workshops.** Consultant may conduct other workshops, if required, to accomplish the transition described above.

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- 2.3 Oversight.** Consultant will supervise and oversee the construction management efforts described above.

Task 2—Deliverables.

1. Transition Services Report. [2.1]
2. Workshop agenda and summary notes. [2.2]

Task 2—Assumptions.

The Parties anticipate the transition period to continue for approximately two months.

Task 3—Construction Management (REVISED)

The Consultant will develop a QA/QC Program to enforce the Contractor's QA/QC, develop construction management processes, and plans using the consultant's construction management expertise, best industry practices, and/or in accordance with the District's Construction Manual, as applicable and appropriate. Consultant shall use these processes and plans to perform Contractor's contract administration such as coordination and management for RFIs, Submittals, changes to contract documents, review, process and recommend approval of Contractor invoices, as well as manage construction scheduling.

- 3.1 Construction Management QA/QC Program.** Consultant will develop a QA/QC Program which will include:

- 3.1.1 Plan to enforce the Contractor's QA/QC plan to monitor that the Contractor's construction activities are performed in accordance and in compliance with the Construction Contract Documents, permit requirements and all applicable codes, standards and regulations;
- 3.1.2 Plan or approach that the Consultant will use to monitor that the Contractor's construction activities are performed in accordance and in compliance with the Construction Contract Documents, permit requirements and all applicable codes, standards and regulations, if the Contractor does not have a QA/QC in place, but is still performing construction activities; and
- 3.1.3 Plan or approach that the Consultant will use to monitor that all construction activities are inspected and observed by qualified inspectors, monitor that the activity is in compliance with the Contract Documents, and will include but not be limited to monitoring and tracking of the daily work of the Contractor, identification of site and operational safety conditions (Refer to Task 4 Inspections, Special and Specialty Inspections).

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3.2 Construction Management Processes. Consultant will develop/update:

- 3.2.1 Request for Information (RFI) Process that will include, but not be limited to, receiving, reviewing, analyzing, determining required response suspense date, logging, routing, distribution, timely response, tracking, compiling a listing/database, and reporting. Consultant will coordinate and manage the Request for Information (RFI) review and approval process in a timely manner. The RFI Process document is an engineering document and therefore requires a licensed professional engineer's signature;
- 3.2.2 Submittal Process that will include, but not be limited to, receiving, confirming compliance with submittal requirements, reviewing, analyzing, logging, routing, distribution, timely response, tracking, compiling a listing/database, and reporting. Consultant will coordinate and manage the Submittal review and approval process in a timely manner. The Submittal Process document is an engineering document and therefore requires a licensed professional engineer's signature;
- 3.2.3 Change Management Process to manage and control changes to the Construction Contract Documents. This will include, but not be limited to, procedures for Contract Document Clarifications (CDC), Potential Change Orders (PCO), Change Orders (CO), Directed Change Orders (DCO), Construction Memos. Consultant will manage and control these changes using the process. The Change Management Process document is an engineering document and therefore requires a licensed professional engineer's signature; and
- 3.2.4 Construction Contract Payment Process that will include, but not be limited to, the review of the Contractor's schedule of values, negotiation with the Contractor if required, use of the District's standard payment forms, preparation of payment requests by the Contractor, materials on hand, retentions, liquidated damages, verification of certified payrolls, Small Business Enterprise performance, percentage of contract payments, s-curves. This process will be used to process Contractor's progress payments. The Construction Contract Payment Process document is an engineering document and therefore requires a licensed professional engineer's signature.

3.3 Construction Management Plans. Consultant shall prepare:

- 3.3.1 Schedule Management Plan which will include but not be limited to the review of the Contractor's baseline and updated schedules, the review of the Contractor's four-week look-ahead schedule reported weekly by the Contractor, review the progress of construction, evaluate the percentage complete of each construction activity, review with the Contractor such reviews (four-week look-ahead, monthly updated schedule). monitoring, tracking of the construction schedules, use of inspector's daily reports, weekly summary reports, observations, review of Contractor's recovery schedules, evaluation of potential delays. The plan will also include reviews for Contractor's time extension requests and time impact analysis. The Consultant will also prepare and update a detailed and a high level weekly and monthly as-built (actual versus planned)

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schedule for use by the DPM. The Schedule Management Plan is an engineering document and therefore requires a licensed professional engineer's signature;

- 3.3.2 Document Control Management Plan which may include but not be limited to the utilization of the existing web-based Document Control System (DCS), EADOCS system, to facilitate efficient communication and maintain Project data and records. The system provides a centralized document exchange portal to communicate technical and other Project-related information with approved secure viewing levels, and includes features to log and track documents (submittals, RFIs, PCO, etc.), and provides storage of electronic copies with secure viewing levels. The Plan will include:
- a. Reconfiguration and reorganization of the system, at the request of the DPM;
 - b. Defining the data and records to be stored in the EADOCS system, and the data and records to be stored on a hard copy filing system for other construction data and records;
 - c. Monitoring and training Project participants on its use; and
 - d. Providing monthly reports.
- 3.3.3 Record Document Management Plan which will include but not be limited to the maintaining and updating the set of Construction Contract Documents, recording addenda, design clarifications, and other modifications implemented during the construction. The Plan will also include the approach to be used by the Consultant to monitor that the Contractor is maintaining and updating its as-built drawings monthly.
- 3.4 Construction Management Action Item and Decision Log.** Consultant will establish and maintain a log of Construction Management Action Items and Decisions. Consultant will provide monthly updates to the DPM.

3.5 Project-Specific Subtasks.

None

Task 3—Deliverables.

- 1. Construction Management QA/QC Program. [3.1].
- 2. RFI, Submittal, Change Management, & Construction Contract Payment Processes. [3.2]
- 3. Schedule, Document Control, Record Document Management Plans. [3.3]
- 4. Construction Management Action Items and Decision Log. [3.4]

Task 3—Assumptions.

None.

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Task 4—Inspections, Special and Specialty Inspections (REVISED)

- A. The Consultant will provide immediate feedback to the District, the Construction Manager and Contractor on construction activities, identified site and operational safety conditions, and will document the work performed in detailed daily reports. The reports will be logged into the document control system (DCS) and will be readily available for viewing by District. The inspection reports will provide a detailed accounting of the work performed and serve to determine whether work is completed in accordance with Construction Contract Documents. The Construction Manager will utilize the inspection reports in preparing the monthly progress payments to identify work progress on the schedule of values and address any items of nonconforming work.
- B. Consultant's performance of Task 4 Inspections, Special and Specialty Inspections is subject to prior written authorization from the District.

4.1 Inspections. During inspections, Consultant will:

- 4.1.1 Have qualified staff present during construction work hours to verify whether work is accomplished in accordance with the Construction Contract Documents;
- 4.1.2 Provide for monitoring of the construction work and field verification of Contractor's QC Program;
- 4.1.3 Will plan and coordinate with the Contractor, inspections of construction work to provide the needed special and specialty inspections. Inspections will focus on Contractor compliance with Construction Contract Documents, permit requirements, and coordination with on-going plant operations;
- 4.1.4 Provide periodic checks of work quality will include monthly surveys to verify compliance with line, grade and coordinates;
- 4.1.5 Provide with the inspection reports a written and photographic record of observations including weather conditions, Contractor work force and equipment, and significant material or equipment deliveries;
- 4.1.6 Verify work quality with the Consultant inspection staff through visual inspection, materials testing, and will utilize as-needed special and specialty inspections; and
- 4.1.7 During inspections, advise the Contractor of any nonconforming work observed and, if not corrected within designated timeframes, the District will be notified.

4.2 Nonconforming Work. Nonconforming work, corrected or not corrected in accordance with designated timeframes, will both be recorded on deficiency lists and addressed in QA/QC meetings as well as the monthly progress meetings. Consultant will:

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- 4.2.1 Provide sufficient qualified, experienced inspection staff to monitor all major work activities associated with work performed on all shifts and days worked by Contractor, and, if requested, to perform compliance inspections, special and specialty inspections as required per the QA/QC Program;
- 4.2.2 Inspect materials, equipment, construction procedures, work in progress, and completed work for compliance with the Construction Contract Documents;
- 4.2.3 Monitor Contractor's look-ahead schedule and confer with Contractor so that qualified personnel including specialty inspectors are scheduled on an as-needed basis to inspect and monitor quality control for all major work activities;
- 4.2.4 Inspect completed work for contract compliance and generate appropriate deficiency lists;
- 4.2.5 Prepare Daily and Weekly Inspection Reports detailing weather conditions, status of work, and the location and type of work performed by Contractor, in accordance with the District's Construction Manual and Consultant's CM best practices as applicable and appropriate. These reports should include:
 - a. For each work activity, document the number and classification of craft labor, supervision, equipment (including idle equipment), and materials used;
 - b. Note material and equipment deliveries or off-hauls, any non-adherence to observed safety procedures along with corrective action taken, delays—including cause of delay, equipment breakdowns or other field problems, visitors, and other pertinent observations. Augment reports with sketches and digital photographs; and
 - c. Maintain a chronological photographic record of construction.
- 4.2.6 Perform frequent checks, at least monthly or as the construction and other conditions dictate pursuant to the District's Construction Manual and construction management best practices, of line and grade for structures to verify in-progress and as-built coordinates, prior to structures or piping being backfilled; and perform as-built surveys at end of construction and document these activities in the monthly progress report;
- 4.2.7 Verify baseline survey points prior to and after construction and document these activities in the monthly progress report;
- 4.2.8 Verify progress of work for payment purposes and determine whether Contractor's progress payment request reflects the submitted schedule of values and the work actually performed and document these activities in the monthly progress report; and
- 4.2.9 Develop and implement a written communication system and database notifying Contractor of all nonconforming work and observed safety violations.

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- 4.3 Division 1 and Special Provisions Compliance.** The Special Provisions section of the Contract Documents state work requirements for the construction including phasing and sequencing, construction coordination with plant operation, and permit compliance. The District's Construction Manual provides specific instructions on monitoring for Special Provisions compliance such as restrictions on work hours, traffic control, and limiting impacts to surrounding neighborhood.
- 4.3.1 The Consultant will monitor Contractor compliance with the Special Provisions and mitigation measures thereby reducing construction risk. Key areas of monitoring by the Consultant include stormwater (SWPPP), environmental compliance, discharge permits, and disruption to the neighborhood. Consultant will provide the Contractor with written notification when the Consultant observes work activities or job conditions violating requirements of the Special Provisions. These noncompliance notifications will be logged into the DCS and notification will be provided to the Contractor and the District. These concerns will be followed up at weekly construction meetings and at QA/QC meetings to assure the Contractor mitigates previous actions and performs work in accordance with Special Provisions. Consultant will, in accordance with the District's Construction Manual and Consultant's CM best practices as applicable and appropriate:
- 4.3.1.1 Monitor Contractor compliance with all Division 1 and Special Provisions specifications consisting of mitigation commitments, wildlife protection and environmental permits, discharge permits and erosion and sedimentation control requirements;
 - 4.3.1.2 Monitor Contractor's noise, vibration, traffic, and odor control mitigation plans for contract requirements;
 - 4.3.1.3 Provide written notification to Contractor and District with a compliance concern; and
 - 4.3.1.4 Provide immediate notification to Contractor and District of noncompliance with specifications and permits.
- 4.3.2 The Consultant will attend Quality Control Coordination Meetings with the Contractor. These meetings include the Pre-submittal conference, preparatory meeting, and third meeting (pre-construction meeting) for definable features of work or work taking place in a new area.
- 4.4 Special and Specialty Inspections.** Special and specialty inspections require certifications or in some cases professional registrations in accordance with California Building Code and governing regulations. Consultant will provide such certifications or registrations for the Project.
- 4.4.1 Consultant will, based on and in accordance with the District's Construction Manual, the Special and Technical Provisions of the Project Construction Contract Specifications,

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applicable ASME Code and relevant industry standards and best practices verify the compliance with and completion of special inspections, as applicable and appropriate, for the Project.

- 4.4.2 At a minimum, Consultant will monitor compliance with and completion of all special inspections, as applicable and appropriate, for Alternate Materials and Systems, Soil (Grading, Excavation, and Backfill), Foundations, Asphalt Concrete, Reinforcing Steel, Concrete, Masonry, Structural Steel, High Strength Bolting, Nondestructive Testing, Fire-Resistant Materials (Spayed and Mastic & Intumescent), Glulam and Truss Joists, Post installed Anchors and Dowels (Installation and Proof Loading), Seismic and Wind Resistance Requirements, and Architectural and Building System Requirements.

4.5 Project-Specific Sub-Tasks.

None

Task 4—Deliverables.

1. Maintain Daily Inspection Reports;
2. Maintain weekly inspection summary reports;
3. Photographic records (in both digital and printed forms);
4. Notifications of non-conformance to the Contractor and the District;
5. Special Inspection verification reports;
6. Written communication system and database notifying Contractor of all nonconforming work and observed safety violations;
7. Maintain compliance records with Daily Inspection Reports;
8. Maintain records on correspondence to Contractor on compliance issues;
9. If requested, perform special inspections; and
10. Maintain records regarding specialty inspection.

Task 4—Assumptions.

None.

Task 5—Safety Management (REVISED)

Consultant will perform services relating to safety management of the work site. Consultant controls the security and safety of its employees where it is required to perform field operations.

- 5.1 Safety Program.** Consultant's Safety Manager will review the Injury and Illness Prevention Plan and any additional safety protocols the Contractor has in place and will work with the Contractor to monitor compliance with all safety procedures. The Safety Manager will also make periodic visits to the job site to meet with on-site personnel to address any safety concerns and monitor safety compliance. While the manager is off-site, Consultant staff will be the eyes and ears and report any safety concerns to the

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manager, who will have a direct line to the Contractor safety personnel to address any concerns as quickly as possible.

5.2 Consultant Safety Activities. Consultant will document all of Consultant's Safety Activities in a Consultant's safety oversight records and will, in accordance with the District's Construction Manual and Consultant's construction management (CM) best practices as applicable and appropriate:

- 5.2.1 Review, monitor and adhere to Contractor's safety program and work activities for compliance with the Construction Contract Documents and safety regulations such as Cal/OSHA;
- 5.2.2 Implement safety oversight activities as identified in Consultant's construction specific Safety Management Plan portion of the CMWP;
- 5.2.3 Ensure that Consultant's own field employees are trained in accordance with the applicable Cal/OSHA regulations;
- 5.2.4 Ensure that Consultant's employees when first engaged on the job be provided with safety instructions in accordance with Cal/OSHA's General Safety Orders prior to exposure to hazards of the job site. This includes the Consultant's own subconsultants and others providing services including District staff and District's Designer who may frequently or occasionally visit the site to conduct business related to the construction;
- 5.2.5 Maintain records of training on file for all persons working or entering the site relating to work on the construction;
- 5.2.6 At all times comply with all safety rules and regulations enacted or implemented by the District and any local, state or federal agency that are applicable to Consultant's Services;
- 5.2.7 Monitor, identify, and notify Contractor and District promptly, of any potential safety issues; comply with all applicable required safety provisions and requirements; and
- 5.2.8 Document and log any identified or observed safety compliance issues. Report any identified safety compliance issues to the Contractor and the District in a timely manner.

5.3 Project-Specific Sub-Tasks.

None.

Task 5—Deliverables.

- 1. Construction Safety Program. [5.1]
- 2. Submittal comments on Contractor's Safety Program. [5.1]

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3. Consultant's safety oversight records. [5.2]
4. Log of safety compliance issues. [5.2]

Task 5—Assumptions.

None.

Task 6—Training, Testing, Start-Up, and Commissioning (REVISED)

Consultant will perform services relating to District staff training, testing, facility start-up, and commissioning.

6.1 District Staff Training. Consultant will coordinate Contractor-provided District staff training.

6.1.1 Consultant will arrange for manufacturer-provided District staff training. If required, Consultant will:

- a. Review Contractor's training schedules and training plans; and
- b. Coordinate and provide all logistics for the training.

6.2 Testing, Start-Up, and Commissioning. Consultant will coordinate testing and training once the equipment has arrived and installation is advanced sufficiently to provide for manufacturer inspections and certification of proper installation.

6.2.1 Consultant will monitor whether the Contractor has representative of the manufacturer or manufacturers visit the site and examine installation to confirm proper installation. After all necessary adjustments are made, the manufacturer's representative will certify the proper installation of equipment and provide operations staff with training on operation and maintenance.

6.2.2 Consultant will:

6.2.2.1 Coordinate functional and operational testing activities with Contractor, manufacturers, District's Designer and District;

6.2.2.2 Review Contractor's test procedures; witness Contractor's testing; and receive and review Contractor's test reports;

6.2.2.3 Provide a start-up manager to lead, plan, manage, and document all work included in, or directly related to, start-up and commissioning;

6.2.2.4 Form and lead and document the activities of an on-site Start-up Team of supervisory staff qualified as a team in all elements of the start-up process, utilizing

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Consultant staff, District staff and District's Designer, Contractor, and Contractor's mechanical, electrical and instrumentation subcontractors, and others as appropriate for the testing, start-up and commissioning. Activities to be performed consist of:

- 6.2.2.4.1 Develop example templates and content to communicate start-up plan submittal expectations; and
- 6.2.2.4.2 Facilitate the review of Contractor's submittals for startup plans;
- 6.2.2.5 Prepare start-up and commissioning plans;
- 6.2.2.6 Coordinate and schedule start-up and commissioning activities;
- 6.2.2.7 Lead, coordinate, direct, and manage day-to-day start-up and commissioning activities;
- 6.2.2.8 Develop detailed start-up and commissioning schedules integrated with the Contractor's construction schedule; and
- 6.2.2.9 Prepare a weekly report for start-up and commissioning activities.
- 6.2.2.10 Provide SCADA assistance and support, if requested by the District.

6.3 Project-Specific Sub-Tasks.

None.

Task 6—Deliverables.

- 1. Coordination of operator training and assistance during testing, start-up and commissioning. [6.2]
- 2. Coordination of Manufacturer training during testing, start-up and commissioning. [6.2.1]
- 3. Example templates and content to communicate start-up plan submittal expectations [6.2.2.4.1]
- 4. Start-up and Commissioning Plans and implementation. [6.2.2.5]
- 5. Weekly reports of start-up and commissioning activities. [6.2.2.9]
- 6. Weekly reports of SCADA assistance and support. [6.2.2.10]

Task 6—Assumptions.

- 1. On-site training facilities to be provided as described in 6.1.1.

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Task 7—Public Outreach and Neighborhood Communications (REVISED AND RENAMED)

- 7.1 Public Outreach.** If requested, the Consultant will provide support and assistance to the District's public outreach activities related to participation and attendance at meetings; developing responses to questions, and other tasks as directed by the DPM. Consultant will provide public outreach information input for periodic newsletters and public meetings, apprising the public of progress made, problems solved and safety records achieved as well as other information related to the Project; attend public outreach meetings; and provide information for public outreach such as graphic images, flyers, door hangers, bill-stuffers, and other information as required by the District's neighborhood liaison. Consultant will prepare agendas, minutes and action items lists for any meetings.
- 7.2 Neighborhood Communications.** Consultant will assist the District's neighborhood liaison with neighborhood communications including proactive positive communication and building strong relationships within the community, working with the District's neighborhood communications staff to monitor Contractor activities and assist with responses to inquiries from neighbors. Consultant will:
- 7.2.1 Assist the District's neighborhood liaison with maintaining positive relationships with the neighborhoods surrounding the jobsite and effectively communicate to the neighborhoods issues related to the impacts of construction;
 - 7.2.2 Assign a contact person to assist the District's neighborhood liaison in providing information for public interface to quickly address any complaints and answer any questions that may arise;
 - 7.2.3 Immediately direct any public and media inquiries to the District's neighborhood liaison or the District's Public Information Representative;
 - 7.2.4 Immediately inform the District's Public Information Representative of any and all interactions with the public and media (e.g. if approached at the construction site, if received a phone call);
 - 7.2.5 If requested, provide construction status, schedule updates and relevant technical information as required by the District's neighborhood liaison. Provide monthly photos of the construction site to the District's Public Information Representative for use on the Project website, social media accounts and other outreach materials; and
 - 7.2.6 Monitor sensitive neighborhood issues, including but not limited to, noise, dust, vibration, Contractor's working hours, truck traffic, Contractor deliveries, and off-haul of debris. Consultant will prepare and maintain a report containing information regarding neighborhood issues, noise, dust, vibration, Contractor working hours, truck traffic, deliveries, and off-haul of debris.

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

7.3 Project-Specific Subtasks.

None

Task 7—Deliverables.

1. Meeting Agendas, Minutes and Action Items List. [7.1]
2. Outreach materials such as graphic images, flyers, door hangers, or bill-stuffers. [7.1]
3. Construction status, schedule updates, and relevant technical information. [7.2.5]
4. Maintain web-based program to track, monitor, and respond to neighborhood communications. [7.2.5]
5. Report containing information regarding neighborhood issues, noise, dust, vibration, Contractor working hours, truck traffic, deliveries, and off-haul of debris. [7.2.6]

Task 7—Assumptions.

1. The District will provide a neighborhood liaison and the Consultant will support District staff with neighborhood communications specialist.

Task 8—Partnering and Claims and Disputes Management (REVISED)

8.1 Partnering. Consultant will facilitate Project partnering within timeframes established by District. Partnering sessions will include key Project staff from the District Designer, Consultant, and may from time to time, include other essential parties including stakeholders, permitting regulators, and other personnel as may be appropriate and necessary. Consultant will:

- 8.1.1 Organize workshops as directed by District. Lead staff from Consultant, Contractor, District (including Operations), and District's Designer shall participate in the initial and follow-up partnering workshops, as necessary and appropriate. The workshops will be led by a professional facilitator with a minimum of five years' experience facilitating partnering workshops;
- 8.1.2 Arrange for workshop facilities in coordination with District as workshops will be held at District's facilities; and
- 8.1.3 Prepare partnering questionnaire and solicit feedback a minimum of two weeks prior to each workshop to determine key areas of concern and prepare workshop agenda.

8.2 Claims and Disputes Management. Consultant will perform services relating to claims and management of disputes. Beginning with commencement of this Agreement, Consultant will identify key risks and implement proactive strategies to address potential claims and disputes before they occur.

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

- 8.2.1 Implement District-approved procedures including processes for analyzing claims, coordination and communication on disputed issues with Project team, and tracking progress of claims and disputes.
- 8.2.2 Implement a claims and disputes management plan regarding issues remaining unresolved, as identified in Consultant's CMWP in accordance with the District's Construction Manual and Consultant's CM best practices as applicable and appropriate. Consultant will implement prescriptive procedures from the CMWP and coordinate continued efforts to resolve the claims or disputes with the District and Project team. including notification, compile supporting documentation and records, and perform claims analysis.
- 8.2.3 Apply its management skills to avoid or minimize claims during construction by maintaining positive working relationship with the Contractor and make all reasonable efforts to review and resolve disputes on behalf of District, as approved by District.
- 8.2.4 Identify and resolve claims for additional compensation, if possible, early and equitably.
- 8.2.5 Apply procedures for enabling work to proceed in the event differences arise over the responsibility for, or cost of, added work.
- 8.2.6 Document events and activities accurately to provide a reliable basis for investigation at a later date.
 - 8.2.6.1 Maintain documentation and records on all relevant decisions and facts relating to disputes on an ongoing basis; and
 - 8.2.6.2 Maintain said records in an orderly manner and make available to District Project personnel upon request.
- 8.2.7 Analyze claims for additional compensation submitted by Contractor and prepare responses.
- 8.2.8 Perform claims administration, including coordination and monitoring; perform claims resolution negotiations, log and track claims status; and inform the District on the status of claims or potential claims.
- 8.2.9 When Contractor files a notice of potential claim or dispute in accordance with the Contract Documents, Consultant will:
 - 8.2.9.1 Promptly notify the Contractor the Notice was received;
 - 8.2.9.2 Notify District and District's Designer of the dispute;

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

8.2.9.3 Assign a dispute tracking number to the dispute and create a dispute file; and

8.2.9.4 Prepare a claim analysis report for each claim.

8.2.10 The following information will be prepared and continuously updated and maintained in the dispute file by Consultant:

8.2.10.1 Compile any formal data, pertinent data, and records such as daily Contractor reports, progress pay reports, special meeting notes, reports, summaries;

8.2.10.2 Prepare a summary of the dispute, by issue, clearly stating the Contractor's position on each issue:

- a. A summary sheet with a chronological listing of events and/or items such as letters to Contractor, meetings, and a brief statement of content;
- b. Documentation of pertinent conversations with Contractor;
- c. All pertinent inspection reports; and
- d. Captioned and dated photos and video recordings

8.2.10.3 Compile additional documents such as:

- a. Drawings, shop drawings and Technical Specifications with the areas in question highlighted or noted by other appropriate means;
- b. Correspondence between Consultant and Contractor, Consultant and District's Designer; and
- c. Any other documentation that supports the position of the Contractor and Consultant.

8.2.11 If a potential claim is not resolved by the completion of the Project, Consultant shall prepare a formal claims report stating the Consultant's recommendation for resolution of the dispute or claim. The claims report shall be prepared in the appropriate format and solely to assist the District's Legal Counsel.

8.3 Participate with the District in the Dispute Review Board (DRB) process, including:

8.3.1 Attend DRB meetings and update the DRB on construction progress and any potential issues that require DRB's resolution.

8.3.2 Make reasonable efforts to review and resolve disputes on the behalf on the District.

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

- 8.3.3 At District's request, assemble and prepare documents needed for DRB proceedings including, but not limited to, District position and rebuttal statements; lists of common documents; lists of common issues; content and power point slides for District presentations; diagrams and all materials necessary to convey the District's position at such proceedings, both informal and formal hearings.

8.4 Project-Specific Sub-Tasks.

None

Task 8—Deliverables.

1. Workshop questionnaires, agendas, and summary reports in draft and final. [8.1]
2. Workshop minutes in draft and final. [8.1]
3. Conduct and arrange for partnering. [8.1]
4. Claim status reports in draft and final. [8.2]
5. Claim analysis reports in draft and final. [8.2]
6. DRB agendas, and meeting minutes. [8.3]
7. Documents necessary to present District's position at DRB meetings and hearings. [8.3]

Task 8—Assumptions.

1. Partnering sessions and workshops will be attended by leaders of Consultant's team and other staff or subconsultants as District determines are necessary and appropriate.

Task 9—Acceptance and Contract Close-Out (REVISED AND RENAMED)

Consultant will facilitate commissioning in accordance with the completion of the construction phases and facilitate acceptance of each construction milestone and the construction once their respective commissioning period has been completed and shall document all such activities in the weekly progress report. During the later stages of construction for each milestone, the Consultant will meet with the Contractor and develop deficiency lists based on record of inspection and observed non-compliant work and document such activities in the weekly progress report. Consultant will regularly follow-up with the Contractor to address the deficient work items prior to commencement of operational testing. Included with system acceptance will be obtaining required warranties and guarantees from equipment manufacturers and contractors which fully comply with the Construction Contract Documents.

- 9.1 Acceptance and Contract Close-Out.** Consultant will begin the process of milestone acceptance near the conclusion of each milestone and the process of construction acceptance and Construction Contract close-out near the conclusion of the construction. Consultant will implement the steps called out in the District's Construction Manual and Consultant's CM best practices as applicable and appropriate. Each step will be documented and include a complete review of contract administration, quality assurance and inspection, and plant operations.

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

- 9.1.1 A complete review of the DCS will be made to identify any unresolved issues for RFIs, submittals, deliveries, warranties services or certifications. Documentation for each step of the close-out process will be assembled along with a calendar of warranty inspection and follow up activities. This information will be incorporated into a Milestone Completion Report and a Final Project Report prepared by the Consultant recommending acceptance of the milestone and the completion of the construction, respectively. This will include confirmation activities, submitting final photos for each milestone and assisting District staff with preparation of recommendation for milestone acceptance and construction acceptance.
- 9.1.2 Consultant will, in accordance with the District's Construction Manual and Consultant's CM best practices as applicable and appropriate:
- 9.1.2.1 Manage deficiency list process;
- 9.1.2.2 Coordinate the efforts of District's Designer, District (including Operations), Permit Authorities to develop a list of deficiencies;
- 9.1.2.3 Coordinate with Contractor, District Operations, and other parties to correct the deficiencies including a description of the final disposition of the deficiency in the Milestone Completion Report and Final Project Report;
- 9.1.2.4 Conduct an inspection of the completed work for each milestone, and of the entire jobsite, and review all documents to determine if all construction efforts are in compliance with the Construction Contract Documents;
- 9.1.2.5 Verify closure/completeness/delivery of all RFIs, submittals, operations and maintenance (O&M) documents, spare parts, training and testing activities, record documents, construction photographs, warranties, guarantees, maintenance bonds, and non-conformance reports;
- 9.1.2.6 Provide District with complete documentation required for each milestone acceptance and the final construction acceptance and closeout of the Construction Contract;
- 9.1.2.7 Coordinate warranty services with Contractor and the District through completion of each milestone as required and through final completion and acceptance of the construction; and
- 9.1.2.8 Provide District with warranty calendars with recommended warranty inspection dates prior to warranty expirations.

9.2 Project-Specific Sub-Tasks.

None.

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

Task 9—Deliverables.

1. Milestone Completion Report. [9.1.1]
2. Final Project Report. [9.1.1]
3. Manage Deficiency List process. [9.1.2.1]
4. Documentation required for final acceptance and closeout of the Construction Contract, including one (1) digital copy and two (2) printed copies of all construction photographs organized by major facility and by construction timeline. [9.1.2.6]
5. Review Contractor's warranty calendars. [9.1.2.8]

Task 9—Assumptions.

None.

Task 10—Supplemental Services (REVISED)

- A. The District may require, and the Consultant shall perform, Supplemental Services on an as-needed basis.
- B. Prior to performing any Supplemental Service, the Consultant must obtain written authorization in the form of a Task Order approved by the District's Water Utility Capital Division Deputy Operating Officer. The form of this Task Order will be as per the Standard Consultant Agreement, Section Twelve, Miscellaneous Provisions, Subsection 13, Task Orders, and the Standard Consultant Agreement, Appendix Three, Task Order Template. Written authorization will state the agreed upon scope of the services requested, the classifications of staff performing the Supplemental Services, associated not-to-exceed fees, and schedule.
- C. Details of the specific scope, deliverable, schedule, and fees for any Supplemental Services will be developed with the District and submitted in writing prior to approval to begin work.
- D. The Not-To-Exceed Fees for each Supplemental Services Task Order will be based upon the negotiated hourly rate schedule (time and materials), and must include all of the following information:
 - 1) The total price for the Consultant to complete the Supplemental Services Task Order on a Time and Materials basis;
 - 2) The schedule for completing the Supplemental Services Task Order; and
 - 3) The Consultant key staff and classifications that will be assigned to complete the Supplemental Services.
- E. The Supplemental Services Task Order fees will not be exceeded by the Consultant without prior written authorization from the District's Water Utility Division DOO.

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

F. Under no circumstances shall Consultant start work on Supplemental Services until:

- 1) The Supplemental Services Task Order is received, reviewed, and executed by District's Water Utility Division DOO; and
- 2) The Consultant received a Task Order Notice-to-Proceed from the District's Project Manager.

10.1 Specific Services.

- 10.1.1 Additional Field Inspector Shift/Overtime Allowance for Contractor work outside normal schedule allowed in the Construction Contract (Subtask 4.1).
- 10.1.2 Additional Field Office Support to process RFIs, Submittals, and Change Orders (Subtasks 3.2.1, 3.2.2, and 3.2.3).
- 10.1.3 Hazardous and Regulated Materials Coordination and Compliance and Hazardous Materials Specialist (Subtask 5.2.4).
- 10.1.4 Noise Ordinance Compliance and Noise Specialist (Subtask 4.3.1).
- 10.1.5 Additional Public Outreach Efforts, including Meetings/Mitigation Expenses (Subtask 7.1).
- 10.1.6 Additional Operations Support/Optimization (Subtask 6.2).
- 10.1.7 Additional Source Inspection/Witness Testing and/or Materials Testing (Subtask 4.1.6).
- 10.1.8 Obtain an overview aerial photo of the entire Project site at the scale as determined by District at the end of each quarter.
- 10.1.9 Assist in defending against any claim or action related to or arising out of the Project after the Project is complete and not due in part or full to the fault or negligence of the CM Consultant (Subtask 8.2).
- 10.1.10 Provide services in connection with a mediation, or legal proceeding, except where Consultant is a party thereto or there are allegations of professional errors or omissions or negligence against Consultant.
- 10.2 **Additional Services.** The Consultant will provide additional quantities of previously identified services as requested by District. Consultant will provide additional services for any quantity of tasks and deliverables beyond those stated in Tasks 1-9 to include but not be limited to:
 - 10.2.1 Additional meetings;

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
SCOPE OF SERVICES**

- 10.2.2 Additional time allotted for meetings;
- 10.2.3 Additional status/progress reports;
- 10.2.4 Additional telephone conference calls;
- 10.2.5 Additional pages or copies of technical memorandums, plans, reports, drawings and specifications;
- 10.2.6 Additional public outreach visuals; and
- 10.2.7 Additional addenda.

7. Attachments (REVISED)

The following listed Attachments are incorporated herein by this reference as though set forth in full:

Revised Attachment One to Revised Schedule EPM - Fees and Payments (REVISED)
Revised Attachment Two to Revised Schedule EPM - Schedule of Completion (REVISED)
Revised Attachment Three to Revised Schedule EPM - Consultant's Key Staff and Subconsultants (REVISED)
Revised Attachment Four to Schedule EPM - Reference Materials (REVISED)

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

1. Total Authorized Funding

Total payment for Services performed, to the satisfaction of District, as described in the Revised Schedule(s) will not exceed a total amount of **\$14,763,120** (Not-to-Exceed Fees or NTE). Under no conditions will the total compensation to the Consultant exceed this NTE payment amount without prior written approval in the form of an amendment to this Agreement executed by the District's Board of Directors (Board), or Chief Executive Officer, or designee, as authorized by the Board.

2. Cost Breakdown

The NTE total compensation of this Agreement consists of the following task fee breakdown. No services will be performed or fees paid by the District to the Consultant for Supplemental Services without prior written authorization by the District as stated in this Agreement.

COST BREAKDOWN

Task	Description	Original NTE Fees	Amendment No. 1 NTE Fees	Revised Total NTE Fees
1	Program Management and Coordination	\$10,000	\$701,866	\$711,866
2	Workshop and Transitions Services	\$8,500	\$122,800	\$131,300
3	Construction Management	\$60,000	\$7,604,744	\$7,664,744
4	Inspections, Special and Specialty Inspections	\$18,000	\$2,758,857	\$2,776,857
5	Safety Management	\$10,000	\$71,677	\$81,677
6	Training, Testing, Start-Up and Commissioning	\$18,000	\$1,304,006	\$1,322,006
7	Public Outreach and Neighborhood Communications	\$5,000	\$200,000	\$205,000
8	Partnering and Claims and Disputes Management	\$60,000	\$270,705	\$330,705
9	Acceptance and Contract Close-Out	\$10,000	\$110,248	\$120,248
10	Supplemental Services	\$25,400	\$1,393,317	\$1,418,717
Total Not-to-Exceed Fees		\$224,900	\$14,538,220	\$14,763,120

3. Terms and Conditions

Payments for Services performed, as described in this Schedule, which applies to the specific Services, will be based on the following terms:

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

- A.** The District will pay for Services provided by the Consultant according to the schedule of rates for professional, technical, and administrative personnel as well as materials and supplies as listed below in the Hourly/Unit Rate Schedule.
- B.** The stated hourly rates are effective for the term of this Agreement unless otherwise revised as indicated. After 12 months from the date this Agreement is entered into by parties ("anniversary date"), and each 12 months thereafter, these hourly rates may be negotiated by the Consultant and the District, provided Consultant submits written notice to District of Consultant's request to revise the hourly rates 90 calendar days prior to the anniversary date of this Agreement. Both parties will use as a benchmark for negotiations the percent change for the previous 12 months of the "Employment Cost Index (ECI), for total compensation for private industry workers, for the San Francisco-Oakland-San Jose, CA CSA Census region and metropolitan area (not seasonally adjusted)" as published by the U.S. Department of Labor, Bureau of Labor Statistics, or 2.5%, whichever is less. A negative index will result in rates remaining the same. Such rate revisions are subject to written approval by the District's Deputy Operating Officer.

C. Reimbursable Expenses

1. All reimbursable expenses not already covered in overhead may include, but are not limited to, mapping, rendering, printouts, leased equipment, mailing and delivery services, printing services, film and processing, plotting, and supplies. These other direct expenses as approved by the District Project Manager will be billed on a monthly basis at actual cost plus 5% linked to each Agreement Task, provided that the Task total NTE amount is not exceeded. Consultant shall provide receipts for each other direct expense item(s) with monthly invoices submitted. The 5% markup will be applied only once, either by the Consultant or by its Subconsultants, subcontractors, or vendors.
2. Equipment purchased on behalf of the District that costs \$50 or more must receive the prior written approval of the District Project Manager. All equipment purchased on behalf of the District and paid for by the District shall become the property of the District and be delivered to District prior to expiration of this Agreement.
3. Travel expenses are reimbursed at actual costs. Travel, including air travel, overnight accommodations, and meals, required for performance of this Agreement will be paid per diem at the U.S. General Services Agency Per Diem Rates for Sunnyvale/Palo Alto/San Jose, California area, provided prior approval for such travel has been obtained from the District Project Manager. Meal receipts to be provided by Consultant only at District's request. For air travel, District will pay the cost of a coach class or equivalent ticket. Where air travel is required, District will pay the total cost of taxi, rideshare, or a rental car, which may include insurance, gas, car fee, and taxes, and will be paid for the actual costs incurred. Vehicle rental is limited to a

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

compact or economy model, unless prior approval has been obtained from the District Project Manager for a different type of vehicle.

D. Expenses incurred by the Consultant for Subconsultants, subcontractors and vendors, including lab services, will be reimbursed at actual cost plus 5%. Consultant shall provide invoices for all such services regardless of cost.

E. For staff with rates exceeding the rate of \$[amount]/hr, the Consultant must obtain written approval from the District Project Manager as to the numbers of hours per task prior to that individual working on the Project. [NOT USED]

F. Prevailing Wage Requirements [NOT USED]

1. The Scope of Services described in [enter Tasks] are considered by the District to be "Public Works" requiring the payment of prevailing wages. See the Standard Consultant Agreement Section Four, Fees and Payments, subsection 3., Prevailing Wages.
2. In accordance with prevailing wage laws, the Director of the California Department of Industrial Relations (Director) has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes available to the particular craft, classification, or type of workers employed on the Project. These rates are set forth in the latest determination obtained from the Director, which is on file in the District's Office of the Clerk of the Board of Directors and incorporated herein by reference the same as though set forth in full. The rates are also available on the State of California Department of Industrial Relations website at <http://www.dir.ca.gov>

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

HOURLY/UNIT RATE TABLE

CLASSIFICATION/STAFF	ORIGINAL AGREEMENT	EFFECTIVE ON COMMENCEMENT OF AMENDMENT NO. 1
Consultant: Cordoba Corporation		
Principal in Charge	-	\$250.00
Project Manager	\$225.00	-
Program Manager	-	\$261.00
Construction Manager	-	\$246.00
Project Controls Manager	-	\$240.00
Deputy Project Manager	\$200.00	-
Field Resident Engineer	-	\$190.00
Inspection Supervisor	-	\$180.00
Forensic Scheduler	\$175.00	-
Engineer	-	\$160.00
Regulatory Advisor	-	\$155.00
Project Controls Engineer	-	\$150.00
Cost & Schedule Specialist	-	\$150.00
QA/QC Manager	-	\$150.00
Safety Manager	-	\$145.00
Administrative Support	-	\$100.00
Administrative Assistant	\$65.00	-
Subconsultant: AKD Consulting		
Forensic Engineer	\$295.00	-
Subconsultant: The Creager Corporation		
Construction Management Reviewer	\$175.00	-
Constructability Reviewer	\$155.00	-
Subconsultant: Dan Schottlander, CCE		
Estimator	\$155.00	-

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
REVISED ATTACHMENT ONE
FEES AND PAYMENTS**

CLASSIFICATION/STAFF	ORIGINAL AGREEMENT	EFFECTIVE ON COMMENCEMENT OF AMENDMENT NO. 1
Subconsultant: IBRA-RMAC Automation Systems		
Senior Controls Engineer	-	\$165.00
Senior Electrical Engineer	-	\$165.00
Software Architect	-	\$165.00
Project Engineer	-	\$115.00
Junior Software Engineer	-	\$105.00
Junior Electrical Engineer	-	\$105.00
Subconsultant: Singer Associates, Inc.		
Public Relations Specialist		\$225.00

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
REVISED ATTACHMENT TWO
SCHEDULE OF COMPLETION**

1. This Agreement commences on the Effective Date, subject to accomplishment of all conditions to formation of an agreement listed in the Agreement at Section Twelve, Miscellaneous Provisions, subsection 2. Formation of Agreement.
2. This Agreement expires on **July 31, 2021** unless, prior to its expiration, its term is modified by a written amendment hereto, signed by both Parties.
3. District's Project Manager and Consultant may agree to modify the schedule specified for Consultant's performance as an administrative modification to the Agreement and will confirm such modification in writing.

PROJECT SCHEDULE

Task	Description	Duration From Notice to Proceed (weeks)
1	Program Management and Coordination	Term of Agreement
2	Workshop and Transition Services	Term of Agreement
3	Construction Management	Term of Agreement
4	Inspections, Special and Specialty Inspections	Term of Agreement
5	Safety Management	Term of Agreement
6	Training, Testing, Start-Up and Commissioning	Term of Agreement
7	Public Outreach and Neighborhood Communications	Term of Agreement
8	Partnering and Claims and Disputes Management	Term of Agreement
9	Acceptance and Contract Close-Out	Term of Agreement
10	Supplemental Services	Term of Agreement

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED SCHEDULE EPM
REVISED ATTACHMENT THREE
CONSULTANT'S KEY STAFF AND SUBCONSULTANTS**

1. Consultant's key staff assigned to the Project are as follows:

Team Member	Classification	Project Role	Contact Information
Richard Coles	Principal in Charge	Principal in Charge	1611 East 17 th Street Santa Ana, CA 92705 (949) 233-7681 rcoles@cordobacorp.com
Stephan Tucker	Program Manager	Project Manager	1611 East 17 th Street Santa Ana, CA 92705 (310) 877-7909 stephan.tucker@cordobacorp.com
Frank DeMicco	Construction Manager	Construction Manager	1401 N. Broadway Los Angeles, CA 90012 (305) 968-1698 frank.demicco@cordobacorp.com
Steve Welsh	Construction Manager	Construction Manager	1401 N. Broadway Los Angeles, CA 90012 (714) 469-2474 sunil.kapoor@cordobacorp.com
Larry Wong	Project Controls Engineer	Project Controls	1401 N. Broadway Los Angeles, CA 90012 (213) 280-4228 larry.wong@cordobacorp.com
Sam Unger	Regulatory Advisor	Regulatory Compliance	20417 Nordhoff Street Chatsworth, CA 91311 (818) 350-8090 sunger@cordobacorp.com
Rick Wymann	Safety Manager	Safety	1401 N. Broadway Los Angeles, CA 90012 (XXX) XXX-XXXX rwymann@cordobacorp.com
Jay Kalan	Inspection Supervisor	Quality Assurance/Quality Control	1401 N. Broadway Los Angeles, CA 90012 (657) 244-6649 Jay.kalan@cordobacorp.com
Sam Singer	Public Relations Specialist	Public Relations	47 Kearny Street Second Floor San Francisco, CA 94108

**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED ATTACHMENT THREE
TO REVISED SCHEDULE EPM
CONSULTANT'S KEY STAFF AND SUBCONSULTANTS**

Team Member	Classification	Project Role	Contact Information
			(415) 227-9700 info@singersf.com

2. The following Subconsultants are authorized to perform Services on the Project:

Firm	Project Role	Contact Information
AKD Consulting	Forensic Engineering	Ashok K. Dhingra 3 Coral Cove Way Dana Point, California 92629-2735 (909) 224-3160 ash@akdconsulting.com
The Creager Corporation	Constructability and Construction Management Review	Jim Creager 15007 Sutton Street Sherman Oaks, CA 91403 Cr8412@aol.com (213) 399-9392 Masis Acob 15007 Sutton Street Sherman Oaks, CA 91403 Masis.markossian@gmail.com (818) 913-1062
Dan Schottlander, CCE	Evaluation of Project Construction Costs	Dan Schottlander 302 W. 5th Street, Suite 202 San Pedro, CA 90731 dpschottlander@cox.net (562) 243-4996
IBRA-RMAC Automation Systems	SCADA Supervision	Amir Ibrahim 2888 Loker Ave. East Office #119-B Carlsbad, CA 92010 (760) 216-4122 amir@irearmac.com

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**AMENDMENT NO. 1 TO AGREEMENT A4242G
REVISED ATTACHMENT FOUR
TO REVISED SCHEDULE EPM
REVISED REFERENCE MATERIALS**

Ref No.	Description
1	Santa Clara Valley Water District Non-Disclosure Agreement (NDA) and Personal Non-Disclosure Agreement (PNDA)
2	Rinconada Water Treatment Plant Reliability Improvement Project Contract Documents and Specifications
3	Direct link to Project's eDocs Document Management System
4	Santa Clara Valley Water District Construction Manual dated June 30, 2009

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Santa Clara Valley Water District

File No.: 19-0781

Agenda Date: 8/13/2019

Item No.: *3.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Update on Delta Conveyance Project and Request for Board Direction on Participation in the Delta Conveyance Project.

RECOMMENDATION:

- A. Receive an update on the proposed Delta Conveyance Project;
- B. Provide direction to staff regarding principles for participation in the Delta Conveyance Project; and
- C. For the purposes of State Water Project (SWP) contract amendment negotiations and development of an Agreement in Principle (AIP), direct staff to identify a provisional range of participation as a SWP contractor at up to 340 cubic feet per second (cfs) of capacity in the Delta Conveyance Project.

SUMMARY:

This agenda item provides updated information to the board and the public on the State's proposed Delta Conveyance Project, staff's preliminary analysis, and the status of discussions among State Water Project (SWP) and Central Valley Project (CVP) public water agencies regarding participation in the project. This agenda item also provides an opportunity to the Board to replace the 2017 "Guiding Principles for Participation in the California WaterFix" with updated principles, and to provide direction to staff for participation in negotiations for amending the SWP contract to include the Delta Conveyance Project. The Board's direction to staff, as described in Recommendation C, is provisional, given that staff's future recommendation on participation level will depend on a number of factors to be determined, including the State's project description, cost and benefit analysis, and environmental assessment.

In addition, Ms. Kathryn Mallon, Executive Director of the Delta Conveyance Design and Construction Authority (DCA), of which Director Estremera is president, has been invited to provide the current status of the project. A Supplemental Agenda Memo will be posted prior to August 13, 2019 Board meeting with the Ms. Mallon's presentation to be presented at the respective board meeting.

BACKGROUND

Santa Clara Valley Water District (Valley Water) has been engaged in planning efforts to improve the

conveyance of SWP and CVP supplies across the Delta since 2006, recognizing that the current approach of diverting directly from rivers in the vulnerable southern end of the Delta is unsustainable. Plans to build twin tunnels beneath the Delta evolved from development of the Bay Delta Conservation Plan to the California WaterFix, with staff presenting information about the risks, costs, and benefits of the evolving planning effort, as well as various stakeholder perspectives, in 68 public meetings, which are listed in Attachment 1.

On October 17, 2017, the Valley Water Board approved Guiding Principles for Participation in the California WaterFix (Attachment 2), which staff used to shape Valley Water's participation in the WaterFix Project before development of that project was terminated early in 2019 by the Department of Water Resources.

On May 8, 2018, the Valley Water Board approved Resolution No. 18-24 (Attachment 3), which "authorized and approved the District's participation in the California WaterFix 1) as a SWP contractor, consistent with the Department of Water Resources approach to allocate the costs and benefits of the SWP contractors' share of the Project in proportion to the Table A amount specified in their State Water Contracts, and 2) as a CVP contractor, to negotiate the purchase of up to 200 cfs of the CVP Share, along with the necessary approvals and agreements from the U.C. Bureau of Reclamation (Reclamation), to convey the District's CVP and/or non-CVP water."

The State's perspective regarding the California WaterFix changed with the new State administration at the end of 2018, and on April 29, 2019, Governor Gavin Newsom signed Executive Order N-10-19 directing the State resource agencies to prepare a water resilience portfolio that includes a directive to assess "*current planning to modernize conveyance through the Bay Delta with a new single tunnel project.*" (Attachment 4). The Department of Water Resources (DWR) responded in early May 2019 by rescinding all permits, permit applications, bond authorizations, and California Environmental Quality Act (CEQA) documentation related to the California WaterFix project and by announcing that it is working with the public water agencies to begin a new, transparent environmental review process to address climate change resiliency and protect the State Water Project (SWP) conveyance from earthquake risk. Additional information on the new planning process can be found at the following website: <https://water.ca.gov/deltaconveyance> and in Attachment 5.

SWP CONTRACT AMENDMENT

The SWP public water agencies, including Valley Water staff, have been discussing the move away from the WaterFix to a single tunnel conveyance project (now named the Delta Conveyance Project) and implications for participation, administration, and operation of the project. In parallel, DWR has been developing plans to move forward with planning for the Delta Conveyance Project. On July 24, 2019, public negotiations began to amend the SWP contract to include the Delta Conveyance Project. The negotiations are expected to result in an Agreement in Principle (AIP) among DWR and the SWP contractors that would describe how the costs and benefits of the Delta Conveyance Project, including capital and operating costs, would be allocated among SWP contractors. Staff anticipates that tentative participation levels for each contractor will be identified for inclusion in the draft AIP, which will be used to develop amended contractual language.

In the Fall of 2019, once the AIP negotiations are complete, DWR will request that State Water Project Contractors, including Valley Water, bring the draft AIP to their respective Boards for

consideration and approval.

After the State has completed CEQA review (anticipated in 2022) and has approved a preferred project, staff will bring the contract amendment and an updated recommended participation level to the Valley Water's Board for decision.

CURRENTLY LIMITED CVP INTEREST

While there has been significant activity on the State side, there has been little interest expressed among CVP contractors to participate in the Delta Conveyance Project. Recently, DWR and the Bureau of Reclamation (Reclamation) have had discussions regarding Reclamation's role in permitting for the project, but there has been no movement to develop a CVP participation approach to support participation in the project by CVP contractors.

PRELIMINARY STAFF ANALYSIS

At the May 2 and May 8, 2018 Board meetings, staff recommended and the Board approved Valley Water's participation in the California WaterFix at a level that would sustain Valley Water's existing level of SWP and CVP deliveries. This corresponded to the following participation levels and associated costs:

**Table 1. District Participation Level for the (now cancelled) California WaterFix
Recommended in May 2018**

WaterFix Project	Recommended District Participation Level	District Share of Total Capital Costs	Estimated Incremental Water Supply Yield
State Water Project share of Project (67%)	2.5% of the State side	\$280 Million	18 TAF
Share of Project Intended for Central Valley Project (33%)	200 cfs (6.7% of the CVP side)	\$370 Million	25 TAF

Staff's ability to evaluate the current single tunnel Delta Conveyance Project is currently limited because the size, cost and specific operating parameters for the Delta Conveyance Project have not yet been defined by the State. However, in early 2018, the State evaluated a 6,000 cfs single tunnel as the first phase of the California WaterFix in its document, "*Economic Analysis of Stage I of the California WaterFix*" (2018 Economic Analysis) and found this first stage to be cost effective. Given the lack of a participation approach on the CVP side, it appears likely that a single-tunnel Delta Conveyance Project, significantly smaller than the cancelled 9,000 cfs WaterFix, would be fully funded by participating SWP contractors. Once the State arrives at a project description for the Delta Conveyance Project, staff will develop an updated cost and benefit assessment and provide that information to the Board.

Valley Water Participation to Sustain CVP Supplies

Currently there is no discernable path forward to participate in the Delta Conveyance Project as a CVP contractor. Without CVP participation, the incremental water supply produced by the Delta Conveyance Project would be allocated among SWP contractors only. However, participation as a SWP contractor can provide limited reliability for Valley Water's CVP water in that the existing SWP contract allows DWR to wheel non-SWP water supplies, requested by a SWP contractor, through unused SWP capacity. These non-SWP supplies could include transfer supplies and/or CVP supplies. Staff's preliminary modeling analysis indicates that in many years there will likely be sufficient capacity in a significantly sized Delta Conveyance Project to also convey CVP supplies. Conveyance of CVP water through a State funded Delta Conveyance Project would have lower priority than conveyance of SWP water, but, as a SWP contractor, Valley Water would have priority over non-SWP contractors for conveying CVP supplies. In addition, the existing SWP contract does not require SWP contractors to pay additional charges beyond variable power charges for movement of non-SWP supplies.

If Valley Water participated in the Delta Conveyance Project as a SWP contractor only, it would continue to receive a South of Delta CVP allocation that would be delivered through existing Delta water channels and pumped at Jones Pumping Plant. However, it may be possible for any declines in CVP deliveries through Jones over time to be offset by the ability to wheel CVP water through Valley Water's participation in the State Project. Valley Water could, subject to the outcomes described below, request diversions by Reclamation of water available under CVP water rights that are in excess of water designated to wildlife refuges, water supply for settlement and CVP contractors, and environmental requirements. However, the quantity of available CVP supplies available to Valley Water in this way is uncertain.

The ability to convey CVP supplies to Valley Water through its SWP share of the Delta Conveyance Project is predicated upon several outcomes, none of which can be assured at this time:

- 1) The State Water Resources Control Board allows Reclamation to add the Delta Conveyance Project intakes as new points of diversion under Reclamation's water rights. This may be achieved if Reclamation joins the State in petitioning the State Water Resources Control Board to add the Delta Conveyance Project intakes as new points of diversion for both the SWP and CVP.
- 2) Both DWR and Reclamation approve the delivery of CVP water to Valley Water through the Delta Conveyance Project. This may be achieved by developing conveyance agreements with both agencies.
- 3) Availability of CVP water beyond Valley Water's south-of-Delta CVP allocation made available independent of the Delta Conveyance Project.

Valley Water Participation as a SWP Contractor

As part of the SWP contract amendment negotiations to include a Delta Conveyance Project, each SWP public water agency will be requested to estimate its participation level in the project, which

would then be documented in the Agreement in Principle (AIP). The AIP will serve as a basis for moving forward with CEQA analysis of the project as well as for developing amended contractual language. Staff will bring a final decision regarding Valley Water's participation level to the Board after the environmental analysis has been completed and DWR has approved the project.

Staff's preliminary estimate is that Valley Water's participation at a 340 cfs level would be consistent with the strategy of "securing existing supplies and infrastructure" in Valley Water's Water Supply Master Plan 2040. Securing existing supplies would entail achieving an average annual supply of approximately 40,000 acre-feet per year by 2040 through the project, which would sustain the existing level of imported water supplies in the face of a projected trend of declining supplies absent the project. The declining supplies are anticipated due to stepped up regulatory restrictions in export pumping -- as well as sea level rise -- affecting both SWP and SWP deliveries south of Delta.

For reference, a 340 cfs capacity, if applied to a *hypothetical* 6,000 cfs Delta Conveyance project, would equate to a 5.7 percent project share, both in capacity and cost obligation. (Valley Water's current "Table A" share of the State Water Project is approximately 2.5 percent.) A 340 cfs capacity may provide a similar yield to the participation level identified for the previously analyzed California WaterFix, as shown above in Table 1. (Yield estimates will be confirmed once the State publishes a project description and modeling analysis of that project has been undertaken.)

Approximately a third of the State incremental supplies is projected to come in the form of water supplies available under high-flow conditions that cannot be stored in SWP facilities, which means that Valley Water may need to pair project participation with investments in additional storage facilities in order to optimize benefits. (This assessment will be revisited when the State announces the proposed project including tunnel size and presents a cost and benefit assessment for the Delta Conveyance Project.)

Recommendation C applies a provisional range of participation in the Delta Conveyance Project at up to 340 cfs for the purposes of State Water Project contract amendment negotiations and development of an Agreement in Principle (AIP). The Board will have the opportunity to confirm or change Valley Water's participation level after the CEQA analysis has been completed and further project information is available; however, at that time it may be difficult to increase Valley Water's participation level if other participating water agencies are unwilling to reduce their shares.

GUIDING PRINCIPLES FOR PARTICIPATION IN THE DELTA CONVEYANCE PROJECT

On October 17, 2017, the Valley Water Board adopted Guiding Principles for Participation in the California WaterFix (Attachment 2). Staff's current review indicates that these principles are still largely applicable to participation in the Delta Conveyance Project. Nonetheless, to provide additional clarity under the changed circumstances, Recommendation B seeks direction from the Board regarding principles of participation in the Delta Conveyance Project to guide staff in the forthcoming negotiations and discussions. Key adjustments from the October 2017 principles may include:

- Recognition in Principle 6 that Valley Water may wish to participate in a larger portion of the Delta Conveyance Project as a SWP contractor than its standard "Table A" 2.5 percentage,

given the current absence of a CVP participation approach.

- Consideration of additional investments in storage to regulate anticipated high-flow diversions of water available through the Project.

ENVIRONMENTAL REVIEW

Staff currently expects the State to release a Notice of Preparation in the fall or winter of 2019, kicking off a two and a half to three-year process to complete the environmental review and related permitting activities for a new project that includes consideration of a single tunnel conveyance project. During the June 21, 2019 meeting of the Delta Conveyance Design and Construction Authority (DCA), of which Director Estremera is president, the DCA authorized an amendment to the agreement between the DCA and DWR to allow the DCA to provide technical support services for this new environmental planning process. Under DWR's oversight, the DCA will provide engineering, field studies and design work to inform the environmental planning process, and assist in evaluating and minimizing community impacts. DWR will be the lead agency under CEQA and will be responsible for approval of any potential project.

FINANCIAL SUPPORT FOR THE DESIGN AND CONSTRUCTION AUTHORITY (DCA)

The preliminary DCA budget and schedule for the planning phase is approximately \$348 million for May 2019 through June 2022 and may need to be adjusted once DWR completes its Notice of Preparation. The DCA's approved FY19/20 budget is \$102 million. Staff anticipates that Valley Water will be requested to fund a portion of the \$348 Million in proportion to its tentative participation level as a SWP contractor. This funding request will be brought to the Board in the form of a funding agreement possibly in the fall of 2019.

On June 27, 2019, DWR and the DCA executed an amendment to the Joint Exercise of Powers Agreement which provides for DWR to contribute up to \$19.7 million in the near term to fund DCA work efforts in support of DWR-led environmental planning. The agreement also provides that these funds will be recovered in full by DWR by December 15, 2019, from funds that will be contributed to DWR by participating SWP public water agencies.

At its June 21, 2019 meeting, the DCA also amended its contract with Jacobs Engineering Group, Inc. to provide services to assist the DCA in its environmental planning including program management support, engineering, including developing alternatives analysis and concept engineering reports, field work coordination and management, and stakeholder engagement support. The expected cost of these services is \$38.6 million.

Per Ms. Mallon's June Executive Director's report, the engineering team is working to fill gaps in the conceptual engineering work that were identified in public comments on the WaterFix project. The team is investigating the feasibility of an alternative proposed by Congressman Garamendi and is evaluating geotechnical aspects to better address public comments and more accurately assess and mitigate project impacts. In addition, Ms. Mallon has been meeting with Delta community leaders to exchange information and solicit input.

GUEST SPEAKER

Ms. Kathryn Mallon, Executive Director of the DCA, has been invited to the Valley Water Board meeting and will be providing the current status of the project. Ms. Mallon is a registered civil engineer in California with 30 years of planning, design and construction experience. For the past 13 years, she has focused exclusively on programmatic management of major capital programs in both the public and private sectors, including management of the City of New York's \$14 billion Water and Wastewater Capital Program, and most recently, Bloomberg LP's new state-of-the-art European Headquarters in central London.

At the City of New York, she managed a staff of 500 engineers, scientists and other professionals overseeing design and construction of well over 100 active capital projects. During her tenure, the agency delivered the \$3 billion Croton Water Treatment Plant, \$5 billion Newtown Creek Water Pollution Control Plant Secondary Treatment Upgrades, \$5 billion City Tunnel Program, and launched the \$2 billion Rondout West Branch Tunnel Program.

Ms. Mallon has a bachelor's degree in civil engineering from the University of Illinois, Urbana-Champaign, and a master's degree in environmental engineering from the University of North Carolina, Chapel Hill.

FINANCIAL IMPACT:

There is no financial impact associated with this item at this time. Further analysis is necessary to determine the financial impacts associated with this project, and are subject to Board action to be taken at such future dates as applicable.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Delta Conveyance Discussions Summary

Attachment 2: SCVWD Resolution No. 17-68

Attachment 3: SCVWD Resolution No. 18-24

Attachment 4: Governor's Executive Order N-10-19

Attachment 5: DWR Infrastructure Q&A

Attachment 6: PowerPoint

*Supplemental Board Agenda Memo

*Supplemental Attachment 1: PowerPoint

*Handout 3.2-A: Delta Conveyance Working Group Memo

UNCLASSIFIED MANAGER:

File No.: 19-0781

Agenda Date: 8/13/2019
Item No.: *3.2.

Garth Hall, 408-630-2750

Attachment 1

Valley Water Public meetings on Improving Delta Conveyance

1. May 10, 2011 - Overview of Delta Issues
2. August 26, 2011 (Board Workshop)- Secretary of California Natural Resources Agency, John Laird, and several representatives of environmental groups discussed the ecosystem restoration goal of the BDCP.
3. October 14, 2011 (Board Workshop) - Deputy Secretary of the California Natural Resources Agency, Gerald Meral, and several general managers of California water agencies discussed the water supply reliability goal of the BDCP.
4. March 28, 2012 (Board Workshop) - Several elected officials and residents of Delta counties discussed the in-Delta perspective on BDCP, along with perspectives from Senior Policy Fellow at the Public Policy Institute of California, Ellen Hanak.
5. May 15, 2012 (Board Agenda Item)- Staff prepared a BDCP update following release of the preliminary administrative draft of the BDCP.
6. August 7, 2012 (Board Agenda Item) - Following the July 25th announcement by the Governor and Obama Administration on key elements of the BDCP proposed project, staff provided an update on the Bay Delta Conservation Plan and results of an opinion survey.
7. February 26, 2013 – (Board Agenda Item) Prior to the release of the second Administrative Draft of the BDCP, staff provided an update on the BDCP and established a Board Ad Hoc Committee to assist the Board with developing policies relating to the District's engagement in the BDCP.
8. October 11, 2013 (Board Workshop)- Director of California Department of Water Resources, Mark Cowin, Undersecretary of California Department of Food and Agriculture, Sandra Schubert, and Economist David Sunding provided an overview of BDCP in relation to other State planning efforts and discussed the statewide economic impacts and perspective on BDCP.
9. November 8, 2013 (Board Workshop) - California Department of Fish and Wildlife staff and several representatives of environmental and in-Delta interests discussed habitat restoration and conservation in the Delta and the perspectives of in-Delta users
10. November 13, 2013 (Board Workshop) - Director of Department of Fish and Wildlife Chuck Bonham, technical experts in Delta risks, and BDCP project managers discussed Delta risks, the relevance of BDCP to Delta fisheries, and plan components and analysis.
11. December 9, 2013 (Board Workshop) - Secretary of California Natural Resources Agency, John Laird and other invited guests provided perspectives on the importance of BDCP to the State, County and economy of Silicon Valley. Staff provided a preliminary analysis of BDCP benefits and costs to Santa Clara County
12. January 27, 2014 (Board Workshop) - Former Director of the San Francisco Public Utilities Commission's Water System Improvement Program, Julie Labonte, and President and CEO of

Hallmark Group Capital Program Management, Chuck Gardner, described implementation of large water supply infrastructure construction projects.

13. May 27, 2014 (Board Agenda Item) - Following the five 2013–2014 District Board Workshops on BDCP, staff provided an update on Bay Delta Conservation Plan, a summary of the workshops, and responses to Board questions raised during and after the workshops.
14. July 22, 2014 (Board Agenda Item) - Staff presented draft District comments on the Public Review Draft BDCP and its EIR/EIS and on the draft BDCP Implementing Agreement for Board review for consistency with Board Policy. Staff also presented an update on the BDCP and responses to additional Board questions.
15. September 23, 2014 (Board Agenda Item) - Staff responded to questions and concerns raised by Board Members and the League of Women Voters of California with various aspects of the BDCP
16. January 22, 2015 (Board Workshop) - Staff and a panel of invited guests described the BDCP adaptive management strategy and the current scientific understanding of habitat restoration in general as well as with respect to BDCP restoration actions.
17. May 26, 2015 (Board Agenda Item) - Staff provided an update on the BDCP and described the new approach proposed by the State to separately develop California WaterFix and EcoRestore.
18. October 27, 2015 (Board Agenda Item) - Staff provided an update on the BDCP and the re-circulated draft environmental documents including draft staff comments on the re-circulated documents.
19. January 26, 2016 (Workshop) - A panel of guests provided updated information and resource agency perspectives on the California WaterFix and California EcoRestore.
20. April 15, 2016 (Board Agenda Item) - Staff provided an overview of imported water and current issues
21. July 12, 2016 (Board Agenda Item) - Staff provided an updated business case analysis and a draft District policy statement for the State Water Board hearing on the petition to change the point of diversion for the SWP and CVP
22. September 27, 2016 (Board Workshop) - Update on Implementation of the 2012 Water Supply and Infrastructure Master Plan and Development of the 2017 Water Supply Master Plan (WSMP)
23. January 31, 2017(Board Workshop) - Update on the 2017 Water Supply Master Plan and Potential Storage Options
24. March 14, 2017(Board Workshop) – Review and confirm proposed Principles related to the Waterfix and receive WaterFix update
25. April 25, 2017 - Update on the 2017 Water Supply Master Plan and Alternative Water Supply Strategies
26. May 9, 2017(Board Workshop) – Updated information on the Delta Stewardship Council's Delta Plan, the District's CWF Principles relevant to the Delta Plan amendments

27. May 25, 2017 (Workshop) Guests Chuck Gardner, John Bednarski, Pat Pettiette, and Bob Goodfellow provide presentation on cost estimation, risk assessment and management, and cost control for the WaterFix
28. July 11, 2017 (Board Workshop) – Update on WaterFix and providing a schedule for future presentations through Fall 2017
29. August 22, 2017 (Board Workshop) – 1) Analysis of issues facing imported water supply reliability; 2) Update on WaterFix including proposed design and construction management and governance.
30. September 12, 2017(Board Workshop) – California WaterFix water supply analysis, cost and water allocations, and financing.
31. October 17, 2017(Board Workshop) – Conditional Support for California WaterFix
32. May 2, 2018 (Board Workshop) – Update on California WaterFix, Authorization to Execute Agreements, Designation of District Representative, and Adoption of CEQA Findings.
33. May 8, 2018 (Board Workshop)- Update on California WaterFix, Authorization to Execute Agreements, Designation of District Representative, and Adoption of CEQA Findings (Continued from May 2, 2018)
34. July 6, 2018 - (Board Workshop) Update on California WaterFix; Approve and Execute the Delta Conveyance Finance Authority Joint Powers Agreement; and Adopt a Resolution for approval of the Delta Conveyance Finance Authority Joint Powers Agreement.
35. August 14, 2018 (Board Workshop) - Update on California WaterFix to Execute agreement between the Department of Water Resources (DWR) and Santa Clara Valley Water District for the advance contribution of Money to DWR for preconstruction planning costs for the California WaterFix.
36. January 22, 2019 (Board Workshop) – Receive and update on California WaterFix implementation and governance, regulatory proceedings, and various agreements.

Ad Hoc and Advisory Committee Meetings

1. March 18, 2013 – BDCP – Initial meeting, discuss and define the BDCP Ad Hoc Committee's purpose and intended outcome
2. April 9, 2013 – BDCP – 1) Review scope and purpose of the Committee; 2) Discuss the Delta Stewardship Council's Delta Plan; 3) Overview of BDCP, Chapters 104; 4) Discuss the Natural Resource Defense Council's proposed portfolio-based BDCP alternative
3. April 22, 2013 - BDCP – 1) Overview of BDCP, Chapters 104 (continued from 4/9/13); 2) Overview of BDCP, Chapters 5-7; 3) Discuss the Natural Resource Defense Council's proposed portfolio-based BDCP alternative (continued from 4/9/13)
4. May 28, 2013 – BDCP – 1) Discussion of BDCP EIR/EIS alternatives; 2) Discussion of Conservation Measure 1 Construction Mgmt Structure; 3) delta Dialogues – Discussion Group; 4) BDCP Schedule and Board Workshops
5. June 25, 2013 – BDCP – 1) Overview and discussion of Chapters 8-10; 2) Discussion of Board member communication and outreach
6. August 22, 2013 – BDCP – 1) Overview of the role of science in Delta planning; 2) Schedule for Bay Delta issues and Board communication
7. October 9, 2013 – BDCP – 1) Overview of the Role of Science in Delta Planning (carryover from August 22, 2013 meeting); 2) Update on BDCP; 3) Schedule and future agendas
8. December 17, 2013 – BDCP – 1) Discuss 2013 Board Workshops on BDCP; 2) Discuss potential 2014 Board items; 3) Discuss next steps for public outreach and engagement
9. January 13, 2014 – BDCP – 1) Discuss 2013 Special Board Workshops on BDCP; 2) Report out by Committee members on BDCP and related issues
10. January 24, 2014 – BDCP - Discuss 2013 Special Board Workshops on BDCP (Continued from 1/13/14); 2) Report out by Committee members on BDCP and related issues
11. June 3, 2014 – BDCP – 1) Updates on the BDCP and BDCP EIR/EIS; 2) Report out by Committee members on BDCP and related issues
12. July 10, 2014 – BDCP - 1) Updates on the BDCP and BDCP EIR/EIS; 2) Report out by Committee members on BDCP and related issues
13. September 9, 2014 – BDCP – 1) Discuss staff responses to Board member questions on the BDCP; 2) Discuss staff responses to the BDCP comment letter from the League of Women Voters of CA; 3) Schedule for Board communication on BDCP
14. October 6, 2014 – Agricultural Water Committee (BDCP Update)
15. May 13, 2015 – BDCP – 1) Update on BDCP; 2) Election of Chair and Vice Chair; 3) Report out by Committee members on BDCP and related issues

- 16.** October 5, 2015 – Agricultural Water Committee (BDCP Update)
- 17.** October 13, 2015 – BDCP – 1) Update on BDCP and the recirculated draft environmental documents; 2) Report out by Committee members on BDCP and related issues
- 18.** November 24, 2015 – BDCP 1) Update on WaterFix Business Case; 2) Report out by Committee members on BDCP and related issues
- 19.** February 22, 2016 – BDCP 1) Update on Waterfix Business Case; 2) Update on the Design Construction Enterprise and related agreements; 3) Draft Policy Statement for State Water Resources Control Board proceedings
- 20.** April 4, 2016 – Agricultural Water Committee (BDCP Update)
- 21.** June 21, 2016 – BDCP – Update on WaterFix
- 22.** October 3, 2016 - Agriculture Advisory Committee - Water Supply Update, including WSMP
- 23.** October 17, 2016 – EWRC - Water Supply Update, including WSMP
- 24.** October 25, 2016 – BDCP – Update on WaterFix, EcoRestore and other Delta planning efforts
- 25.** October 26, 2016 – Water Commission - Water Supply Update, including WSMP
- 26.** November 8, 2016 - BDCP disbanded
- 27.** January 17, 2017 – Joint Board meeting with Open Space Authority - WSMP Update
- 28.** April 12, 2017 – Water Commission - 2017 WSMP Update
- 29.** August 2, 2017 – Agriculture Advisory Committee – Update on California WaterFix
- 30.** August 2, 2017 - Joint Water Resources Committee (South County) – Update on WaterFix
- 31.** August 16, 2017 – Environmental & Water Resources Advisory Committee – Update on Cal WaterFix
- 32.** August 25, 2017 – Santa Clara County Water Commission – Update on Cal WaterFix

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**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 17 - 68

CONDITIONAL SUPPORT OF CALIFORNIA WATERFIX

WHEREAS, our mission at the Santa Clara Valley Water District (District) is to provide Silicon Valley with safe, clean water to support healthy lives, the environment, and economy; and

WHEREAS, the Board of Directors endeavor through our policies and actions to affirm to the residents of Silicon Valley that we are dependable stewards and that the District can be trusted to provide clean, safe, affordable water, and guarantee our water supply for the future; and

WHEREAS, Santa Clara County relies on State Water Project (SWP) and Central Valley Project (CVP) water conveyed through the Sacramento-San Joaquin Bay-Delta (Delta) for 40 percent of its water supply on average; and

WHEREAS, imported water from the Delta and its watershed has played a significant role in recharging the County's groundwater basin, protecting against further land subsidence, and providing for the well-being of the citizens of Santa Clara County; and

WHEREAS, substantial local investments in water use efficiency and conservation, recycled water and groundwater management are essential but cannot cost-effectively replace imported water; and

WHEREAS, the District has long been committed to sustained reliable water supplies as well as environmental stewardship; and

WHEREAS, if no action is taken, the District's SWP and CVP supplies will be vulnerable to risks from declining ecosystem conditions, increasing regulatory restrictions, seismic risks, climate change and sea level rise, resulting in reduced water supply reliability for Santa Clara County; and

WHEREAS, the California Department of Water Resources (DWR) proposes to construct the California WaterFix, which consists of new intakes on the east bank of the Sacramento River in the northern Sacramento San Joaquin Delta, tunnel(s) connecting these intakes to a new, intermediate forebay, and tunnel(s) carrying water from this forebay to a new pumping plant connected to an expanded and modified Clifton Court Forebay; and

WHEREAS, the California WaterFix is a critical component of the California Water Action Plan, the State of California's blueprint for a "sustainable and resilient future"; and

WHEREAS, the California WaterFix has the potential to protect the District's water supply reliability by upgrading aging infrastructure, thereby reducing the vulnerability of SWP and CVP water supplies to seismic events in the Delta and climate change impacts; and

WHEREAS, the California WaterFix has the potential to improve access to transfer supplies and increase storage project yield while conveying water across the Delta in a way that is safer for the environment; and

WHEREAS, the SWP component of the WaterFix is defined such that benefits of the project would accrue to SWP participants, while the U.S. Bureau of Reclamation's proposed CVP participation approach does not provide sufficient assurances that WaterFix benefits will be realized by CVP participants; and

WHEREAS, on July 21, 2017, DWR certified the final environmental analysis for the California WaterFix and signed the Notice of Determination thereby approving California WaterFix as the proposed project under the California Environmental Quality Act; and

WHEREAS, the District supports the use of unionized labor and Project Labor Agreements (PLAs) to participate in the construction of the WaterFix project.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby find, determine, and order as follows:

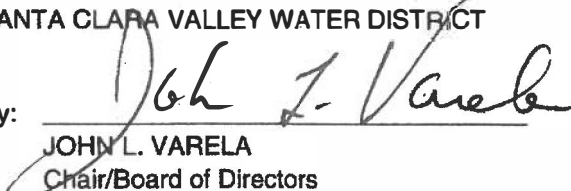
1. That the Santa Clara Valley Water District hereby declares its conditional support for the California WaterFix and adopts the Guiding Principles, attached hereto as Attachment 1, for Participation in the California WaterFix; and
2. That the District's Directors and staff will use these Guiding Principles to shape the District's participation in the WaterFix Project, including evaluating the WaterFix project, identifying ways to meet the District's goals, and shaping the project development and any agreements necessary to secure the conditions needed for the District's support. Any proposed material deviation from the Guiding Principles shall be presented to the District Board for its consideration and approval.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on October 17, 2017:

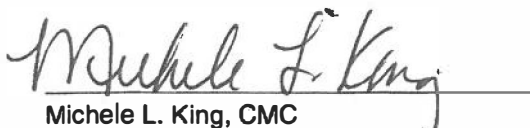
AYES:	Directors	G. Kremen, T. Estremera, N. Hsueh, B. Keegan, L. LeZotte, R. Santos, J. Varela
NOES:	Directors	None
ABSENT:	Directors	None
ABSTAIN:	Directors	None

SANTA CLARA VALLEY WATER DISTRICT

By:


JOHN L. VARELA
Chair/Board of Directors

ATTEST:


Michele L. King, CMC
Clerk/Board of Directors

Attachment: Guiding Principles for Participation in the California WaterFix

Attachment 1
Guiding Principles for Participation in the
California WaterFix

Guiding Principle #1 – Santa Clara County needs are the primary drivers in all our decisions involving the WaterFix project.

Fresno, Huron, Southern California, Discovery Bay, Rio Vista and other places in California have important desires, but providing safe, clean, affordable water for the people, businesses, wildlife and habitat of *Santa Clara County* is our primary focus.

Guiding Principle #2 – We will not allow Silicon Valley values and priorities to be placed at a disadvantage relative to Central Valley Agriculture or Southern California.

We support a WaterFix project in which all parties pay their fair share and avoid cost shifting to urban users.

Santa Clara County rate payers and / or taxpayers should *pay no subsidies* to Central Valley Agriculture or Southern California water users.

Ensure that the District receives all prices, benefits and other terms ("me-too" clause), considered as a whole, that are at least equivalent to those terms being offered to other participants of the WaterFix project.

Guiding Principle #3 – We are advocating for a flexible approach that addresses Silicon Valley stakeholder and community input.

We take public input seriously, having had over 50 agenda items at properly noticed, public meetings on the WaterFix project and the District's water master supply plan alone (see Appendix A for a partial list of such meetings).

We support a WaterFix project that provides for environmental protections for the Delta, that is part of an overall State effort to improve Delta habitat through, at a minimum, the EcoRestore program, and that takes into account climate change.

To quote from the recent *Baykeeper Issue Brief on the Delta Tunnels*:

"With a portfolio of science-based actions we can stabilize the Delta ecosystem to prevent fish extinctions while permitting sustainable water exports. Signs of hope and solutions include:

....

Reduction in tunnel scope to a single smaller tunnel. Several groups, including the Natural Resources Defense Council and the Public Policy Institute of California, have suggested that a single tunnel could help achieve the reliability and resiliency sought by water contractors while maintaining an engineered limit to diversions that would be less susceptible to over-extraction and abuse."

Additionally, to quote Governor Brown in the LA Times on October 5th, 2017:

But Brown said Thursday that WaterFix could survive, albeit in a scaled-down version, without money from Westlands and other agricultural districts that receive delta supplies from the federal Central Valley Project.

"The project can be altered to reduce the costs if the federal contractors don't want to be a part of it," the governor said. "The state needs the water. We're not going to commit suicide. We gotta have it."

Given that Westlands Water District and certain other agriculture districts have declined to participate in the WaterFix project, we are supportive of a *lower-cost, scaled-down, and staged* project that is consistent with the existing environmental impact reports and other administrative proceedings. We support considering an approach that incorporates the following in the first stage of the project:

- a) One tunnel instead of the two tunnels;
- b) A reduced intake volume from the original 9,000 cubic feet per second;
- c) A reduced number of intakes on the Sacramento River;
- d) A project that incorporates and ensures less impacts on fisheries and the environment relative to current operations; and
- e) Allows Santa Clara Valley Water District elected officials to be actively involved as leaders in the governance of the WaterFix project to ensure the project is implemented appropriately and to prevent any Southern California water grab.

Any changes to the project that diverge from this principle must be brought before the board before any final agreement is announced.

Guiding Principle #4- As water is a human right, we must make investments to make sure our water supply meets future needs at a cost affordable by everyone

Our District believes in an "all-of-the-above approach" to water supply. We have significant ongoing investments in water conservation. We are looking seriously at highly purified (drinkable) water, recycled water, storm water capture, rain water capture, grey water usage, etc. We take into account the importance of local supplies and resiliency.

At the same time, the cost of water is an important consideration to our ratepayers and we believe that water is a basic human right. Of the options that produce a significant quantity of supply, our imported supply is the lowest cost per unit source available to the District, and a staged WaterFix project could help stabilize the increasing cost of our overall supply portfolio. The cost of water is a social justice issue; the WaterFix project would help keep down the cost of our water supply portfolio and make safe, clean water more affordable.

Consistent with this principle, our support of the WaterFix is conditioned on the per acre-foot cost remaining similar to current estimates.

Guiding Principle #5 – Equity and costs are important.

The District Board may further refine this Principle #5 in future Board meeting(s) that are part of the rate setting process. Those communities and / or organizations that pay SWP property taxes (funds) and receive on average 85% of their water supply from sources other than the District-managed supplies will receive, directly or indirectly and not exceeding the amount of SWP property tax paid, those funds back in the form of additional, incremental, dedicated, segregated funds exclusively for water conservation programs, recycled water, purified water, wastewater treatment plant environmental upgrades, Automatic Meter Infrastructure (AMI) updates, or dedicated environmental focused grants starting in FY 2019 until FY 2024. To unlock these additional, incremental, dedicated funds, the communities and organizations will be required to make at least 20% match of the District's contribution; otherwise the dedicated, segregated funds go back to the District by FY 2026.

Guiding Principle #6 – Any final arrangement must provide flexibility to acquire supplemental water by taking advantage of future wet years to ensure residents have a reliable water supply, no matter what extreme weather the changing climate brings.

The District supports the State Water Project WaterFix participation approach, which would allocate the benefits and costs of the WaterFix to the District in proportion to its current 2.5% level of participation in the State Water Project.

Additionally, the District shall commit to and / or purchase enough supplies from the project to replace the projected deficit in current imported water supplies over time, and to ensure against future uncertainty. More specifically, we commit to securing sufficient supplemental water supplies if they become available at a reasonable price to avoid a deficit in our water supply, with potentially additional investments to provide insurance against future uncertainty.

Simultaneously, it is critical that the WaterFix provide reliability for our CVP supplies as well as our SWP supplies and that both supplies can be moved through the WaterFix.

If we do not act, given competition for limited water supplies in California, undoubtedly, water made available through improvements in the State Water Project and the Bay-Delta will instead go to Central Valley Agriculture and Southern California.

Guiding Principle #7 – Keep negotiating for the best deal for Santa Clara County

Our final guiding principal is that staff shall continue participating in California WaterFix planning discussions with State and federal agencies as well as other prospective WaterFix participants, to further define the project, and to develop agreements to secure the conditions needed for the District's support.

Appendix A - Board Meeting Agenda Items regarding California WaterFix

1. May 10, 2011 - Overview of Delta Issues
2. August 26, 2011 (Board Workshop)- Secretary of California Natural Resources Agency, John Laird, and several representatives of environmental groups discussed the ecosystem restoration goal of the BDCP.
3. October 14, 2011 (Board Workshop) - Deputy Secretary of the California Natural Resources Agency, Gerald Meral, and several general managers of California water agencies discussed the water supply reliability goal of the BDCP.
4. March 28, 2012 (Board Workshop) - Several elected officials and residents of Delta counties discussed the in-Delta perspective on BDCP, along with perspectives from Senior Policy Fellow at the Public Policy Institute of California, Ellen Hanak.
5. May 15, 2012 (Board Agenda Item)- Staff prepared a BDCP update following release of the preliminary administrative draft of the BDCP.
6. August 7, 2012 (Board Agenda Item) - Following the July 25th announcement by the Governor and Obama Administration on key elements of the BDCP proposed project, staff provided an update on the Bay Delta Conservation Plan and results of an opinion survey.
7. February 26, 2013 – (Board Agenda Item) Prior to the release of the second Administrative Draft of the BDCP, staff provided an update on the BDCP and established a Board Ad Hoc Committee to assist the Board with developing policies relating to the District's engagement in the BDCP.
8. October 11, 2013 (Board Workshop)- Director of California Department of Water Resources, Mark Cowin, Undersecretary of California Department of Food and Agriculture, Sandra Schubert, and Economist David Sunding provided an overview of BDCP in relation to other State planning efforts and discussed the statewide economic impacts and perspective on BDCP.
9. November 8, 2013 (Board Workshop) - California Department of Fish and Wildlife staff and several representatives of environmental and in-Delta interests discussed habitat restoration and conservation in the Delta and the perspectives of in-Delta users
10. November 13, 2013 (Board Workshop) - Director of Department of Fish and Wildlife Chuck Bonham, technical experts in Delta risks, and BDCP project managers discussed Delta risks, the relevance of BDCP to Delta fisheries, and plan components and analysis.
11. December 9, 2013 (Board Workshop) - Secretary of California Natural Resources Agency, John Laird and other invited guests provided perspectives on the importance of BDCP to the State, County and economy of Silicon Valley. Staff provided a preliminary analysis of BDCP benefits and costs to Santa Clara County
12. January 27, 2014 (Board Workshop) - Former Director of the San Francisco Public Utilities Commission's Water System Improvement Program, Julie Labonte, and President and CEO of Hallmark Group Capital Program Management, Chuck Gardner, described implementation of large water supply infrastructure construction projects.
13. May 27, 2014 (Board Agenda Item) - Following the five 2013–2014 District Board Workshops on BDCP, staff provided an update on Bay Delta Conservation Plan, a summary of the workshops, and responses to Board questions raised during and after the workshops.
14. July 22, 2014 (Board Agenda Item) - Staff presented draft District comments on the Public Review Draft BDCP and its EIR/EIS and on the draft BDCP Implementing Agreement for Board review for consistency with Board Policy. Staff also presented an update on the BDCP and responses to additional Board questions.

15. September 23, 2014 (Board Agenda Item) - Staff responded to questions and concerns raised by Board Members and the League of Women Voters of California with various aspects of the BDCP
16. January 22, 2015 (Board Workshop) - Staff and a panel of invited guests described the BDCP adaptive management strategy and the current scientific understanding of habitat restoration in general as well as with respect to BDCP restoration actions.
17. May 26, 2015 (Board Agenda Item) - Staff provided an update on the BDCP and described the new approach proposed by the State to separately develop California WaterFix and EcoRestore.
18. October 27, 2015 (Board Agenda Item) - Staff provided an update on the BDCP and the re-circulated draft environmental documents including draft staff comments on the re-circulated documents.
19. January 26, 2016 (Workshop) - A panel of guests provided updated information and resource agency perspectives on the California WaterFix and California EcoRestore.
20. April 15, 2016 (Board Agenda Item) - Staff provided an overview of imported water and current issues
21. July 12, 2016 (Board Agenda Item) - Staff provided an updated business case analysis and a draft District policy statement for the State Water Board hearing on the petition to change the point of diversion for the SWP and CVP
22. September 27, 2016 - Update on Implementation of the 2012 Water Supply and Infrastructure Master Plan and Development of the 2017 Water Supply Master Plan (WSMP)
23. January 31, 2017 - Update on the 2017 Water Supply Master Plan and Potential Storage Options
24. March 14, 2017 – Review and confirm proposed Principles related to the Waterfix and receive WaterFix update
25. April 25, 2017 - Update on the 2017 Water Supply Master Plan and Alternative Water Supply Strategies
26. May 9, 2017 – Updated information on the Delta Stewardship Council's Delta Plan, the District's CWF Principles relevant to the Delta Plan amendments
27. May 25, 2017 (Workshop) Guests Chuck Gardner, John Bednarski, Pat Pettiette, and Bob Goodfellow provide presentation on cost estimation, risk assessment and management, and cost control for the WaterFix
28. July 11, 2017 – Update on WaterFix and providing a schedule for future presentations through Fall 2017
29. August 22, 2017 – 1) Analysis of issues facing imported water supply reliability; 2) Update on WaterFix including proposed design and construction management and governance.
30. September 12, 2017 – California WaterFix water supply analysis, cost and water allocations, and financing.

Ad Hoc and Advisory Committee Meetings

1. March 18, 2013 – BDCP – Initial meeting, discuss and define the BDCP Ad Hoc Committee's purpose and intended outcome
2. April 9, 2013 – BDCP – 1) Review scope and purpose of the Committee; 2) Discuss the Delta Stewardship Council's Delta Plan; 3) Overview of BDCP, Chapters 104; 4) Discuss the Natural Resource Defense Council's proposed portfolio-based BDCP alternative

3. April 22, 2013 - BDCP – 1) Overview of BDCP, Chapters 104 (continued from 4/9/13); 2) Overview of BDCP, Chapters 5-7; 3) Discuss the Natural Resource Defense Council's proposed portfolio-based BDCP alternative (continued from 4/9/13)
4. May 28, 2013 – BDCP – 1) Discussion of BDCP EIR/EIS alternatives; 2) Discussion of Conservation Measure 1 Construction Mgmt Structure; 3) delta Dialogues – Discussion Group; 4) BDCP Schedule and Board Workshops
5. June 25, 2013 – BDCP – 1) Overview and discussion of Chapters 8-10; 2) Discussion of Board member communication and outreach
6. August 22, 2013 – BDCP – 1) Overview of the role of science in Delta planning; 2) Schedule for Bay Delta issues and Board communication
7. October 9, 2013 – BDCP – 1) Overview of the Role of Science in Delta Planning (carryover from August 22, 2013 meeting); 2) Update on BDCP; 3) Schedule and future agendas
8. December 17, 2013 – BDCP – 1) Discuss 2013 Board Workshops on BDCP; 2) Discuss potential 2014 Board items; 3) Discuss next steps for public outreach and engagement
9. January 13, 2014 – BDCP – 1) Discuss 2013 Special Board Workshops on BDCP; 2) Report out by Committee members on BDCP and related issues
10. January 24, 2014 – BDCP - Discuss 2013 Special Board Workshops on BDCP (Continued from 1/13/14); 2) Report out by Committee members on BDCP and related issues
11. June 3, 2014 – BDCP – 1) Updates on the BDCP and BDCP EIR/EIS; 2) Report out by Committee members on BDCP and related issues
12. July 10, 2014 – BDCP - 1) Updates on the BDCP and BDCP EIR/EIS; 2) Report out by Committee members on BDCP and related issues
13. September 9, 2014 – BDCP – 1) Discuss staff responses to Board member questions on the BDCP; 2) Discuss staff responses to the BDCP comment letter from the League of Women Voters of CA; 3) Schedule for Board communication on BDCP
14. October 6, 2014 – Agricultural Water Committee (BDCP Update)
15. May 13, 2015 – BDCP – 1) Update on BDCP; 2) Election of Chair and Vice Chair; 3) Report out by Committee members on BDCP and related issues
16. October 5, 2015 – Agricultural Water Committee (BDCP Update)
17. October 13, 2015 – BDCP – 1) Update on BDCP and the recirculated draft environmental documents; 2) Report out by Committee members on BDCP and related issues
18. November 24, 2015 – BDCP 1) Update on WaterFix Business Case; 2) Report out by Committee members on BDCP and related issues
19. February 22, 2016 – BDCP 1) Update on Waterfix Business Case; 2) Update on the Design Construction Enterprise and related agreements; 3) Draft Policy Statement for State Water Resources Control Board proceedings
20. April 4, 2016 – Agricultural Water Committee (BDCP Update)
21. June 21, 2016 – BDCP – Update on WaterFix
22. October 3, 2016 - Agriculture Advisory Committee - Water Supply Update, including WSMP
23. October 17, 2016 – EWRC - Water Supply Update, including WSMP
24. October 25, 2016 – BDCP – Update on WaterFix, EcoRestore and other Delta planning efforts

- 25. October 26, 2016 – Water Commission - Water Supply Update, including WSMP**
- 26. November 8, 2016 - BDCP disbanded**
- 27. January 17, 2017 – Joint Board meeting with Open Space Authority - WSMP Update**
- 28. April 12, 2017 – Water Commission - 2017 WSMP Update**

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**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 18 - 24

AUTHORIZING SUPPORT OF, AND PARTICIPATION IN, CALIFORNIA WATERFIX

WHEREAS, our mission at the Santa Clara Valley Water District ("District") is to provide Silicon Valley with safe, clean water to support healthy lives, the environment, and economy; and

WHEREAS, The Board of Directors endeavor through our policies and actions to affirm to the residents of Silicon Valley that we are dependable stewards and that the District can be trusted to provide clean, safe, affordable water, and guarantee our water supply for the future; and

WHEREAS, the District has long been committed to sustained reliable water supplies as well as environmental stewardship; and

WHEREAS, Santa Clara County relies on State Water Project ("SWP") and Central Valley Project ("CVP") water conveyed through the Sacramento-San Joaquin Bay-Delta ("Delta") for 40 percent of its water supply on average; and

WHEREAS, substantial local investments in water use efficiency and conservation, recycled water and groundwater management are essential but cannot cost-effectively replace imported water; and

WHEREAS, imported water from the Delta and its watershed has played a significant role in meeting the County's water supply demands and allows for the recharging of the County's groundwater basin, protecting against further land subsidence, and providing for the well-being of the citizens of Santa Clara County; and

WHEREAS, if no action is taken, the District's SWP and CVP supplies will be vulnerable to risks from declining ecosystem conditions, increasing regulatory restrictions, seismic risks, climate change and sea level rise, resulting in reduced water supply reliability for Santa Clara County; and

WHEREAS, the California Department of Water Resources ("DWR") proposes to construct the California WaterFix ("Project" or "WaterFix"), a project that could potentially protect the District's water supply reliability by upgrading aging infrastructure, thereby reducing the vulnerability of SWP and CVP water supplies to seismic events in the Delta and climate change impacts; and

WHEREAS, the California WaterFix is a critical component of the California Water Action Plan, the State of California's blueprint for a "sustainable and resilient future"; and

WHEREAS, the Project has the potential to improve access to transfer supplies and increase storage project yield while conveying water across the Delta in a way that is safer for the environment; and

WHEREAS, in July 2017, DWR approved the Project after certifying the Project's final environmental impact report ("Final EIR"), making findings of fact including statement of overriding considerations, and adopting a Mitigation Monitoring and Reporting Program pursuant to the California Environmental Quality Act ("CEQA"); and

WHEREAS, on October 17, 2017, the District Board adopted Resolution 17-68 which declared the District's conditional support for the Project and adopted certain guiding principles to shape the District's participation in the evaluation and further development of the Project; and

WHEREAS, conditions that led to the adoption of the District's Guiding Principle 3 have changed, and all the other District guiding principles have been achieved or significant progress has been made toward achieving them, as documented in the Board Agenda Item for the May 2, 2018 District Board meeting; and

WHEREAS, the District supports the SWP WaterFix participation approach, which would allocate the benefits and costs of the Project to the District in proportion to its current 2.5% allocation in the SWP under the State Water Contracts (determined by reference to Table A of such State Water Contracts), and allow each SWP contractor to transfer its costs and benefits of the WaterFix to another willing SWP contractor; and

WHEREAS, approximately 67% of the capacity of the Project is currently subscribed by SWP contractors and approximately 33% of the capacity of the Project is currently unsubscribed (the unsubscribed portion of the capacity of the California WaterFix being referred to herein as the "CVP Share"); and

WHEREAS, on April 10, 2018, Metropolitan Water District of Southern California ("MWD") authorized and approved MWD entering into a series of transactions to finance and purchase the unsubscribed CVP Share and, among other actions, to enter into one or more purchase agreements (collectively, the "Capacity Interest Purchase Agreements") under which other water agencies would agree to purchase or make payments for the purchase of a capacity interest in the CVP Share and MWD would transfer to any such water agency all or a portion of the CVP Share; and

WHEREAS, it is critical that the WaterFix provide reliability for the District's CVP supplies as well as its SWP supplies and that both supplies can be moved through the WaterFix; and

WHEREAS, the District is interested in purchasing a portion of the CVP Share, up to 200 cubic feet per second (cfs) of capacity, in order to sustain and protect its CVP supplies; and

WHEREAS, in order for the District to sustain its CVP supplies through participation in the WaterFix, a number of approvals and agreements with the U.S. Bureau of Reclamation ("Reclamation") must be secured, and it is anticipated that a Capacity Interest Purchase Agreement must be executed between the District and MWD; and

WHEREAS, on May 2, 2018, the District Board adopted Resolution 18-__ which made Responsible Agency findings pursuant to the CEQA to approve agreements relating to financing, construction, and operation of the Project.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby find, determine, and order as follows:

1. The Board hereby authorizes and approves the District's participation in the WaterFix 1) as a SWP contractor, consistent with DWR's approach to allocate the costs and benefits of the SWP contractors' share of the Project in proportion to the Table A amount specified in their State Water Contracts, and 2) as a CVP contractor, to negotiate the purchase of up to 200

cfs of the CVP Share, along with the necessary approvals and agreements from Reclamation, to convey the District's CVP and/or non-CVP water.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on May 8, 2018:

AYES: Directors T. Estremera, N. Hsueh, B. Keegan, G. Kremen

NOES: Directors L. LeZotte, J. Varela, R. Santos

ABSENT: Directors None

ABSTAIN: Directors None

SANTA CLARA VALLEY WATER DISTRICT

By: 

RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC


Clerk/Board of Directors

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Attachment 4

EXECUTIVE DEPARTMENT STATE OF CALIFORNIA

Executive Order N-10-19

WHEREAS, water is a human right, and is central to California's strength and vitality; and

WHEREAS, we face a range of existing water challenges, including unsafe drinking water across the state, major flood risks that threaten public safety, severely depleted groundwater aquifers, agricultural communities coping with uncertain water supplies, and native fish populations threatened with extinction; and

WHEREAS, climate change is having a profound impact on water and other resources, making the climate warmer and more variable, which reduces mountain snowpack, intensifies drought and wildfires, and drives shorter, more intense wet seasons that worsen flooding; and

WHEREAS, California continues to grow, with our population projected to grow to 50 million over the next several decades and our economic activities expanding as the world's fifth largest economy; and

WHEREAS, the future prosperity of our communities and the health of our environment depend on tackling pressing current water challenges while positioning California to meet broad water needs through the 21st century; and

WHEREAS, many state programs, policies and investments are being implemented, such as the Sustainable Groundwater Management Act and new urban water efficiency standards, that can be built upon to meet these evolving challenges; and

WHEREAS, providing clean, dependable water supplies to communities, agriculture, and industry while restoring and maintaining the health of our watersheds is both necessary and possible; and

WHEREAS, achieving this goal requires a broad portfolio of collaborative strategies between government, sovereign tribes, local communities, water agencies, irrigation districts, environmental conservationists, academia, business and labor leaders, and other stakeholders.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and the statutes of the State of California, do hereby issue this Order to become effectively immediately.

IT IS HEREBY ORDERED THAT:

1. The California Natural Resources Agency, the California Environmental Protection Agency, the California Department of Food and Agriculture, in consultation with the Department of Finance, shall together prepare a water resilience portfolio that meets the needs of California's communities, economy, and environment through the 21st century.

These agencies will reassess priorities contained within the 2016 California Water Action Plan, update projected climate change impacts to our water systems, identify key priorities for the administration's water portfolio moving forward, and identify how to improve integration across state agencies to implement these priorities.

2. These agencies shall first inventory and assess:
 - a. Existing demand for water on a statewide and regional basis and available water supply to address this demand.
 - b. Existing water quality of our aquifers, rivers, lakes and beaches.
 - c. Projected water needs in coming decades for communities, economy and environment.
 - d. Anticipated impacts of climate change to our water systems, including growing drought and flood risks, and other challenges to water supply reliability.
 - e. Work underway to complete voluntary agreements for the Sacramento and San Joaquin river systems regarding flows and habitat.
 - f. Current planning to modernize conveyance through the Bay Delta with a new single tunnel project.
 - g. Expansion of the state's drinking water program to ensure all communities have access to clean, safe and affordable drinking water.
 - h. Existing water policies, programs, and investments within state government.
3. This water resilience portfolio established by these agencies shall embody the following principles:
 - a. Prioritize multi-benefit approaches that meet multiple needs at once.
 - b. Utilize natural infrastructure such as forests and floodplains.
 - c. Embrace innovation and new technologies.
 - d. Encourage regional approaches among water users sharing watersheds.
 - e. Incorporate successful approaches from other parts of the world.
 - f. Integrate investments, policies and programs across state government.
 - g. Strengthen partnerships with local, federal and tribal governments, water agencies and irrigation districts, and other stakeholders.

4. These agencies shall conduct extensive outreach to inform this process, including to other state agencies, sovereign tribes, federal and local government, local water agencies, agricultural groups, environmental justice and environmental conservation organizations, local and statewide business leaders, academic experts and other stakeholders.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order shall be filed with the Office of the Secretary of State and that widespread publicity and notice shall be given to this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its departments, agencies, or other entities, its officers or employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 29th day of April 2019.




GAVIN NEWSOM
Governor of California

ATTEST:



ALEX PADILLA
Secretary of State

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CALIFORNIA DEPARTMENT OF WATER RESOURCES

Modernizing Delta Conveyance Infrastructure Q&A

1. Why do we need modernized infrastructure in the Delta?

Rain and snowmelt from the Sierra Nevada through the Sacramento-San Joaquin Bay Delta supplies drinking water to 27 million people in Northern and Southern California and supports 750,000 acres of irrigated farmland. Water infrastructure in the Delta is highly vulnerable to earthquake and sea level rise. According to the United States Geological Survey, there's a 72% chance a 6.7 or greater magnitude earthquake occurring in the Bay Area by 2043 that could cause levees in the Delta to fail, crippling the state's ability to deliver clean water. As sea levels continue to rise, the Delta will be faced with increasing saltwater intrusion into the inner Delta, which threatens clean water supplies that flow through the Delta.

Clear, objective science shows us that these are real, serious threats. We need to take action now to upgrade Delta infrastructure, recognizing that this process will take years to make these improvements.

2. What is the impact of climate change on Delta water supplies?

The best and most recent scientific data have led the California Ocean Protection Council to recommend that projects with a lifespan beyond 2050 be built to withstand 10 feet of sea level rise by 2100. A reliable underground conveyance system is needed to move high flows from the northern portion of the Delta, which is over 15 feet above sea level, to the point that it can be exported to water systems in the Bay Area, Central Valley and Southern California. This will protect freshwater for use by 27 million Californians.

As sea levels continue to rise, the California Delta will be inundated with increasing water levels and salinity, which can dramatically alter and harm fragile ecosystems as well as water supply. The increase in sea level rise, combined with a projected shift in winter precipitation from snow to rain, will create massive challenges for the existing south Delta pumping facilities and the vulnerable levee system. Without proper upgrades and investments, the science clearly shows that Delta communities will be under grave threat from increased salinity that will contaminate their drinking and irrigation water, as well as catastrophic flooding risks. Vast expanses of Delta farmland and communities already sit below sea level. Climate change will dramatically increase the risks for these communities which, coupled with seismic risk, makes the situation urgent.

3. Why doesn't the state just invest more in local projects like recycling and desalination?

Under Governor Newsom's leadership, California is working to develop a broad new approach that focuses on securing safe and resilient water supplies, reducing flood risks, and restoring and maintaining healthy waterways. This broad water resilience portfolio will likely prioritize conservation, recycling, groundwater management, and much more, which will build the resilience of local water systems across the state. At the same time, the Sacramento and San Joaquin River systems—which rely on runoff from most of the Sierra Nevada mountain range—provide a critical water supply for much of the state. Planning a

future for California while not protecting these water supplies from growing risks is dangerous and not advisable.

4. What's happening with WaterFix?

Governor Newsom recently directed his state agencies to develop a portfolio approach to make California's water supplies climate resilient. This strategy will build local resilience across the state and is appropriately paired with a single tunnel, smaller capacity project. Under the Governor's direction, the state is formally withdrawing pursuit of the proposed twin-tunnel WaterFix project. The state is withdrawing all approvals made in compliance with the California Environmental Quality Act and the federal and California Endangered Species Acts, as well as the water rights petition in front of the State Water Resources Control Board. The state will begin environmental permitting, engineering and stakeholder engagement to pursue a single tunnel solution to modernize Delta conveyance.

5. What are the details of the new proposed conveyance project? What is the process for a new environmental review under CEQA?

The new approach to modernized Delta conveyance centers on a single tunnel, smaller capacity project. This new approach will allow us to develop a project that incorporates the latest in science and engineering, as well as updated information to minimize impacts. The Department of Water Resources (DWR) will begin a new environmental review process in compliance with CEQA and will ensure that process is open to public engagement. Local input and active engagement will be critical to ensuring a solution that meets the project objectives.

6. Will Delta communities be involved in this new approach?

Yes. Participation and collaborative problem solving will be critical to our success. The Newsom administration wants to engage with Delta communities to hear their ideas and concerns. The administration will also reach out to legislators, state agencies and other policymakers and continue a public dialogue that will allow any Californian engaged in water policy to hear the options and provide input. Our agencies are committed to making the public, especially the Delta community, a part of this new strategy to prepare the state for climate change.

There will also be many opportunities for public input as a part of the planning and environmental review process for Delta conveyance. Their voices, input and active engagement will be critical to ensuring a solution that will protect water supply reliability, but in a way that minimizes impact and cost and maximizes overall benefit.

7. What is the Delta Conveyance Authority and what is its role going forward?

The Delta Conveyance Design and Construction Authority (DCA) is a joint powers authority created by the public water agencies that have committed to design and construction of a modernized Delta conveyance project. As a public agency subject to the Brown Act, all of its meetings are open to the public and its materials are available for public review

DWR will oversee the planning effort and will be directly responsible for implementing the environmental compliance activities. The DCA will conduct engineering and design activities to support environmental planning, with oversight by DWR.

There is a significant amount of engineering and field work needed to support environmental planning and permitting. Examples of the work include land surveys to help map alternatives, geotechnical work and coordination with local communities.

Additionally, Governor Newsom is committed to a more transparent and collaborative process with Delta stakeholders to better communicate the impacts and to work together to explore new ideas for addressing these issues. This means doing more engineering work in the next few years than has been done in the past. As with all the work conducted by the DCA, this will require close management—with oversight by DWR—of budgets and schedules, invoice processing, systems development, risk management, document management and transparent reporting.

8. How will the state ensure that water supplies are protected for local communities, agriculture and threatened and endangered fish in the Delta?

DWR's ability to divert from the Delta is regulated by the State Water Resources Control Board (SWRCB), which sets parameters for protections of beneficial uses in the Delta. The department has met those parameters in all but the most extreme circumstances. The SWRCB's regulations are in the process of being updated—through the Water Quality Control Plan and the Voluntary Agreements—in order to better balance use of the Sacramento and San Joaquin rivers. Once finalized these standards will help govern how Delta conveyance and other infrastructure is managed.

9. Why is Delta conveyance important for disadvantaged communities in the state?

The State Water Project provides the most affordable supply of clean drinking water available in the state. Many communities served by the project have populations that are considered economically disadvantaged. The largest water purveyor in the State Water Project is the Metropolitan Water District of Southern California, where more than a third of its service area—and more than 6 million people—live in disadvantaged communities. Public water agencies must maintain affordable water rates for these families. At the same time, the state recognizes that the Delta region is home to disadvantaged communities as well, which need secure access to clean water supplies.

10. Is the federal government involved with this new project?

The Bureau of Reclamation will continue to be a partner in the coordinated operations of the Central Valley Project and the State Water Project and they will assess their interest in participating in the new proposed project in coming months. The federal fishery agencies have an important role to play in implementing oversight to ensure the project complies with the Endangered Species Act, as does the Army Corps of Engineers with regard to the Clean Water Act.

11. Is the state still addressing the co-equal goals required by the Delta Reform Act?

Yes. The Delta Reform Act, and the co-equal goals, will continue to guide efforts to modernize conveyance infrastructure in the Delta. The project's objectives are to provide a more reliable water supply while protecting, restoring, and enhancing the Delta ecosystem—including the minimizing effects on fish, reducing unnatural reverse flow conditions, and maintaining water quality standards. This will be consistent with the Delta Reform Act's directive that the coequal goals shall be achieved in a manner that protects and enhances the unique cultural, recreational, natural resource, and agricultural values of the Delta as an evolving place.

12. Is the Newsom Administration open to innovative ideas?

Yes. Decades of study, coupled with updated understanding about sea level rise, make it clear that conveyance in the Delta must be modernized. At the same time, this new approach provides an opportunity to engage with stakeholders and directly address their concerns about Delta conveyance—specifically to avoid and minimize the impacts that concern Delta communities the most. There are four areas for innovation:

- First is in the development of the Water Resilience Strategy, where other water management innovations can complement Delta-specific strategies.
- Second is in opening a discussion to innovative ideas about how to protect Delta water quality and strengthen levee protection.
- Third is in advancing the engineering and design work on the proposed project to a point that we can work with Delta communities to ground-truth mitigation strategies to minimize and avoid potential impacts from construction and operation for issues like recreation, traffic and noise.
- And fourth is in seeking Delta residents' input on a Community Benefits Fund to support, protect and enhance the Delta as an evolving place.

13. How much does this change cost? Who pays for DWR's new planning effort and the assistance of the DCA?

Modernization of Delta conveyance will be funded by the public water agencies—and their ratepayers—who utilize and benefit from the conveyance infrastructure. It will not be funded through the state's general fund nor will it be funded by California's taxpayers. The cost of the project will be determined once a new cost estimate is developed. It will be significantly less expensive than the previously proposed project given its smaller single tunnel design, and therefore more affordable and feasible to implement.

Update on Delta Conveyance



Staff Recommendations

- A. Receive an update on the Delta Conveyance Project.
- B. Provide direction regarding principles for participation in the Delta Conveyance Project
- C. For negotiation purposes, approve a preliminary range of participation of up to 340 cfs of capacity in the Delta Conveyance Project



Oct 2017

Valley Water Board approves
Guiding Principles for CA
WaterFix

May 2018

Valley Water Board approves
participation in CA WaterFix

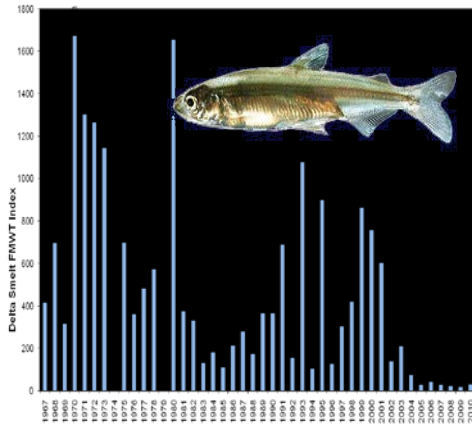
Apr 2019

Governor Newsom issues
Executive Order for water
resilience portfolio

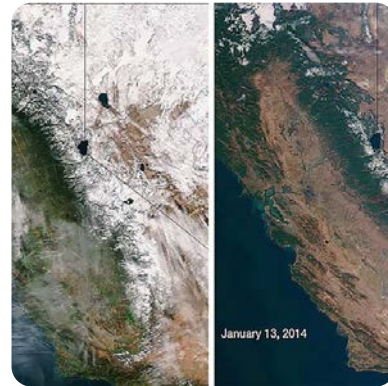
May 2019

DWR rescinds CA WaterFix
and begins planning for a new
single tunnel project

Planning for modernized conveyance to address water supply vulnerabilities



Fishery Declines



Climate Change



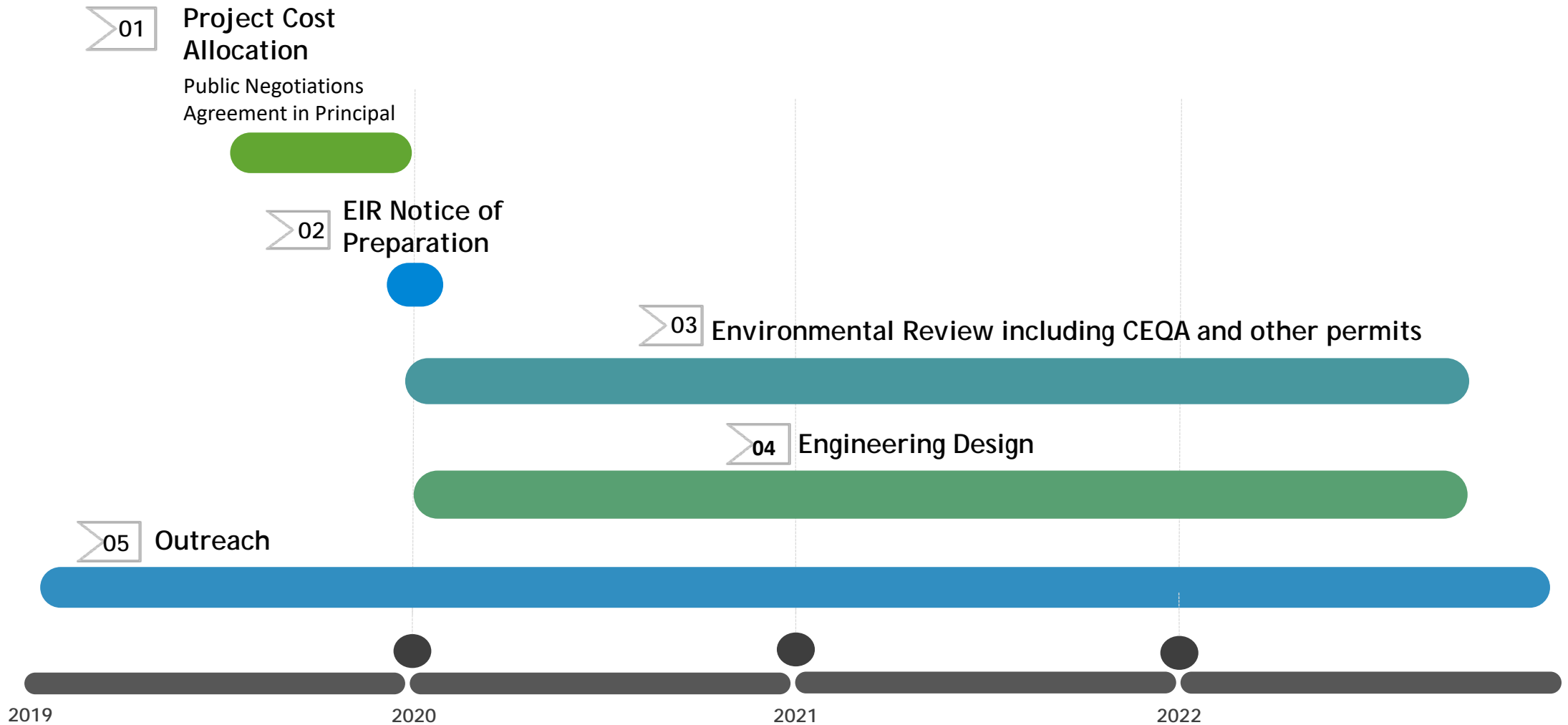
Earthquakes



Vulnerable Levees

**Key component of
Governor's
Water Resilience Portfolio**

Delta Conveyance Planning Schedule





SWP Contract Amendment Processes

- 2018 SWP contract amendment process: water management measures
- 2019 SWP contract amendment to include Delta Conveyance Project

2019 SWP Contract Amendment to Include Delta Conveyance Project

- *Opt-In framework*
- *Cost accounting principles*
- *Water accounting and operations principles*
- *Dispute resolution*
- *Preliminary participation levels*

Valley Water Preliminary Participation Level: Considerations

- *No currently available CVP participation approach*
- *Some improvement in CVP reliability through participation on State side.*
- *SWP participation at 340 cfs may offset projected declines in both SWP and CVP supplies*

Valley Water Preliminary Participation Level: Considerations – continued

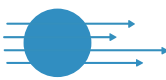
- *Participation level will be re-evaluated after project description, size, and expected operations released*
- *Participation level should be reevaluated after CEQA analysis completed and updated information is available*
- *However, participation level increase may not be available at that time if other agencies are unwilling to reduce their shares*

Guidance for Staff Participation in Public Negotiations and AIP development

- *Protect existing rights to convey CVP water through State facilities*
- *Adopt Guiding Principles of Participation in Delta Conveyance Project*
- *Approve a range of participation level for AIP development*

Guiding Principles for Participation in Delta Conveyance Project

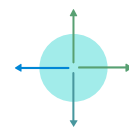
Board Resolution October 17, 2017



Valley Water needs are **primary**



Santa Clara County not disadvantaged by Central Valley agriculture or Southern California



Flexible approach that addresses Santa Clara County concerns



Cost is **affordable**



Equity and costs are important



Avoid a deficit in supply, meet current and future needs, and protect SWP and CVP supplies



Keep negotiating for best deal

Financial Support for Design and Construction Authority (DCA)

- *Preliminary DCA budget (through June 2022): \$348 million*
- *Valley Water share of funding: proportional to tentative participation level in AIP.*
- *DCA to provide engineering, field studies, and design work to inform environmental planning process*
- *Funding agreement expected Fall 2019*

Staff Recommendations

- A. Receive an update on the Delta Conveyance Project.
- B. Provide direction regarding principles for participation in the Delta Conveyance Project
- C. For negotiation purposes, approve a preliminary range of participation of up to 340 cfs of capacity in the Delta Conveyance Project

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Santa Clara Valley Water District

File No.: 19-0779

Agenda Date: 8/13/2019

Item No.: *3.2

SUPPLEMENTAL BOARD AGENDA MEMORANDUM

SUBJECT:

Update on Delta Conveyance and Request for Board Direction on Participation in the Delta Conveyance Project.

REASON FOR SUPPLEMENTAL MEMORANDUM:

This report conveys additional information received after the initial report was released, consistent with Executive Limitations Policy EL-7-10-5.

RECOMMENDATION:

- A. Receive an update on the proposed Delta Conveyance Project;
- B. Provide direction to staff regarding principles for participation in the Delta Conveyance Project; and
- C. For the purposes of State Water Project (SWP) contract amendment negotiations and development of an Agreement in Principle (AIP), direct staff to identify a provisional range of participation as a SWP contractor at up to 340 cubic feet per second (cfs) of capacity in the Delta Conveyance Project.

SUMMARY:

This Supplemental Memorandum conveys the presentation to be delivered by the guest speaker, Ms. Kathryn Mallon, Executive Director of the Delta Conveyance Design and Construction Authority (DCA), which was not available in time for the 10-day posting.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

File No.: 19-0779

Agenda Date: 8/13/2019
Item No.: *3.2

Supplemental Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:
Garth Hall, 408-630-2750



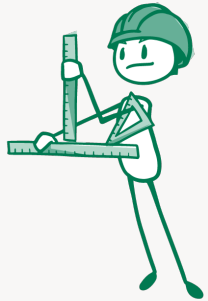
DCA

**DELTA CONVEYANCE DESIGN
& CONSTRUCTION AUTHORITY**

INTRODUCTION TO THE DCA

August 13, 2019

My Career Roadmap



**Design
Engineer**



**Construction
Resident
Engineer**



**Project
Manager**



**Large Projects
Project
Manager**



**Large Projects
Program
Manager**



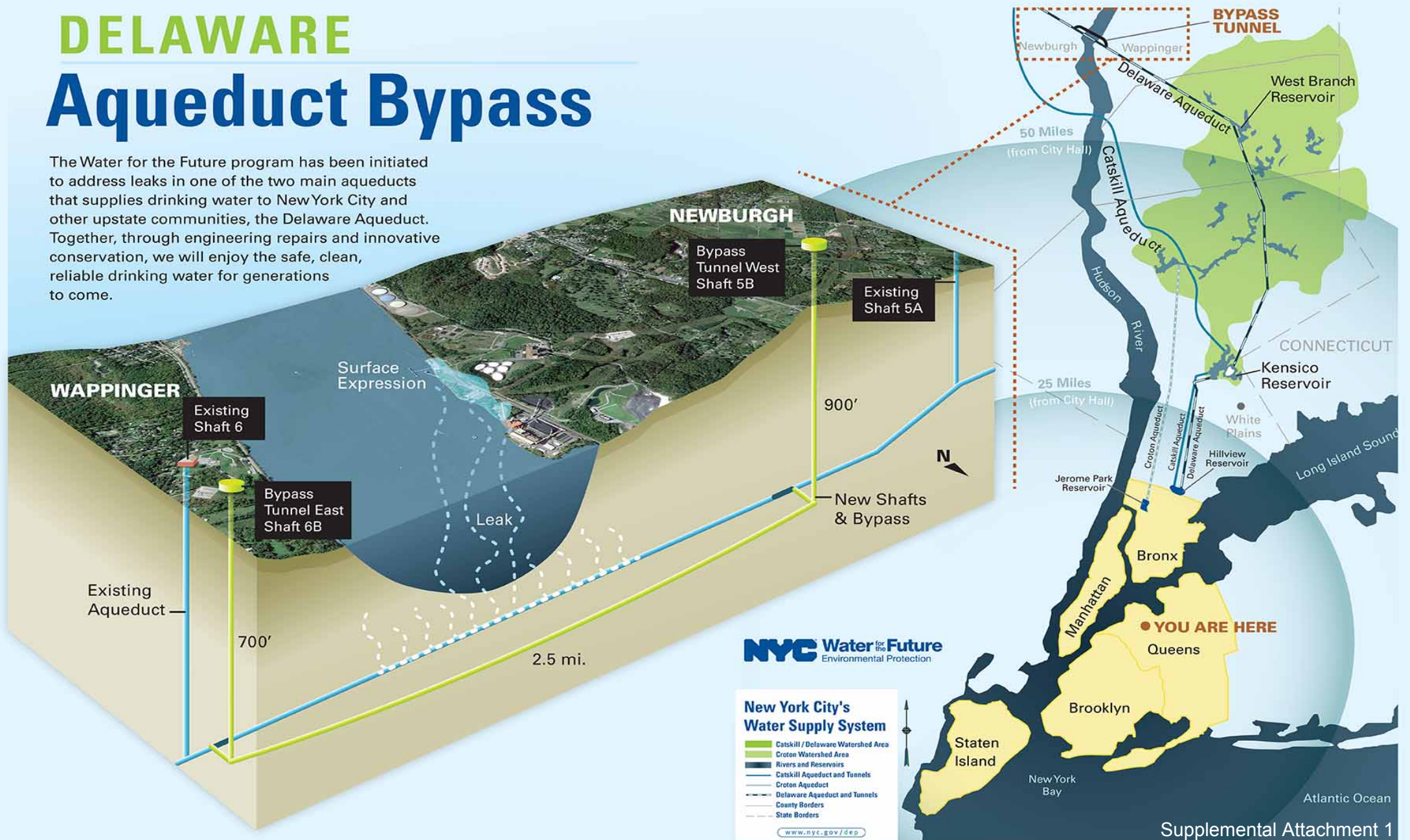
Willamette River Water Treatment Plant





DELAWARE Aqueduct Bypass

The Water for the Future program has been initiated to address leaks in one of the two main aqueducts that supplies drinking water to New York City and other upstate communities, the Delaware Aqueduct. Together, through engineering repairs and innovative conservation, we will enjoy the safe, clean, reliable drinking water for generations to come.





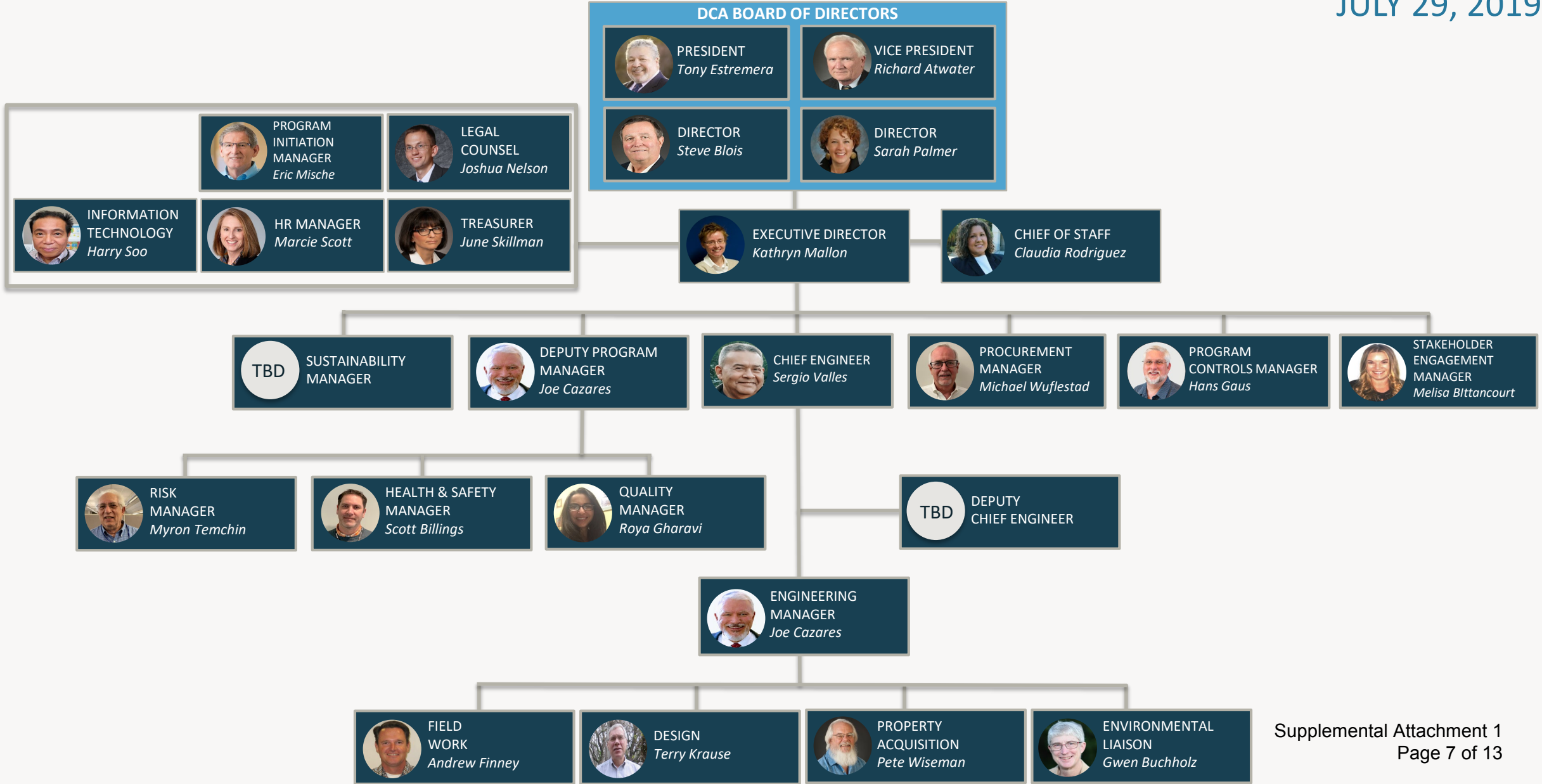
Hurricane Sandy – Housing Recovery Program



QUICK FACTS ABOUT DCA

- **Mission:** Provide Engineering and Stakeholder Engagement Support to the DWR Planning Team
- **Budget:** FY 2019/2020 \approx \$85Mil + \$15Mil Contingency
- **Preliminary EIS Schedule Milestones:**

Notice of Preparation	December 2019
Scoping Complete	March 2020
Draft EIS	Early 2021



SAFETY FIRST AND FOREMOST

Needs no explanation...

WE KEEP OUR WORD

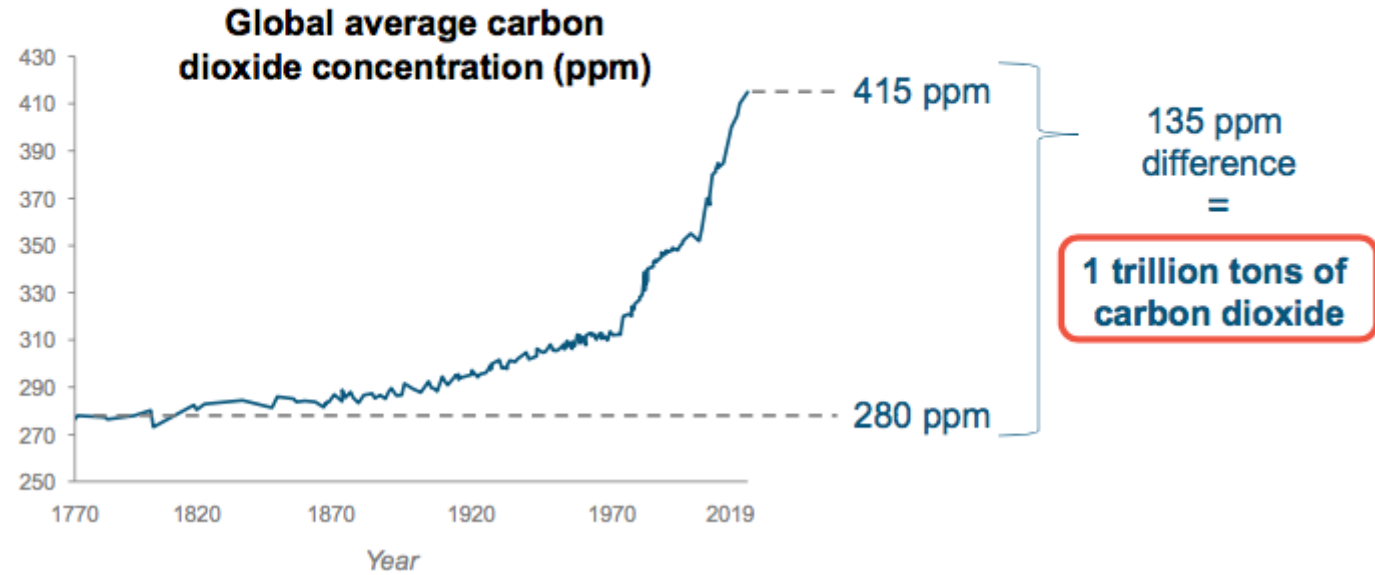


WE RESPECT THE DELTA AND THE PEOPLE WHO LIVE THERE



WE WALK THE WALK

Carbon dioxide levels have increased over the past 250 yrs



WORLD CLASS PROBLEM SOLVERS





QUESTIONS?

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***Handout 3.2-A**

08/13/19

This item will be distributed at the meeting on August 13, 2019.