

**Summary of Capital Project Plan Updates from Board Adopted FY 2022-26 CIP  
as presented to the CIP Committee on November 15, 2021 with subsequent new, revised and  
administrative updates noted**

Below is a detailed summary of all project plan updates by type of improvement. Updates to capital project plans are considered to be significant if total project costs (TPC) increase or decrease (inflated) more than \$1 million, project completion is extended beyond one year, or if there are any changes to project scope. These updates were presented to the CIP Committee on November 15, 2021.

Following the CIP Committee's review and in consideration of the committee's feedback, the CIP Evaluation Team provided recommendations regarding whether the new proposed capital projects should be funded in the FY 2023-27 Preliminary CIP (noted below).

Furthermore, since the November 15 CIP Committee's review of the Significant Project Plan Updates item, there were new project plan updates, revisions to project plan updates, and administrative changes to projects which were presented to the CIP Committee on December 13, 2021. Since then, there has been one additional revision to a project plan update, which is referenced in the board agenda memo and below. All of the project plan updates included in this attachment are reflected in the FY 2023-27 Preliminary CIP.

**WATER SUPPLY**

**Storage Facilities:**

1. **91854001 Almaden Dam Improvements**

**SCHEDULE CHANGE (PHASE ONLY) – TPC CHANGE DUE TO INFLATION: TPC decreased by \$1.296M**

The uninflated TPC remains the same, however the inflated TPC decreased by \$1.296M. The project completion schedule remains the same, but the Environmental Phase was updated to accommodate the environmental review process. The project's planned expenditures were revised to reflect the burn rate for FY22 through FY26, to accurately align with updated project schedule. As a result of the shift in phase schedules, the overall TPC decreased due to inflation changes.

2. **91864005 Anderson Dam Seismic Retrofit**

**SCOPE AND COST CHANGE: Scope change resulted in TPC increase by \$588.75M**

**Changes to project scope include:** 1) Addition of an in-reservoir access roads approximately four (4) miles long to be constructed to stockpile areas SA-K and SA- L located inside the reservoir; a temporary bridge to cross reopened North Channel, dredging of sediment at the upstream side of the dam to construct the foundation of the dam, operation of the active water treatment system for four (4) years, increased haul and processing of excavated materials to stockpile areas SA-K and SA-L over longer distances during embankment construction, heavy equipment cost over precipitation season, a new 33-inch bypass pipeline and downstream control valves in the low-level outlet works for making cold water releases to Coyote Creek, increase in the size of concrete encasement between low-level outlet tunnel and downstream outlet works and mass concrete backfill under outlet structure required. 2) Other miscellaneous additions which include a bridge over Coyote Creek, maintenance access to Northern Channel and reopening, electrical work, SCADA work and security work, instrumentation required for four (4) interim dams instead

of two (2) interim dams, wick drains and drainage blanket. **3)** Winterization of the Stage 2B/3A interim dams (includes placement of rip-rap on downstream of interim dams, etc.). **4)** New Unlined Spillway, a requirement from the dam safety regulatory agencies, increased spillway invert thickness due to post 60% field investigation findings of most of spillway underlain by weak soil like rock and replacement of spillway crest base. **5)** Increase in the Sloping intake size by approximately 33% in size to accommodate the addition of a separate 33-inch bypass pipeline with three intakes. **6)** Addition of Mechanical fish screens for all intakes in the sloping intake structure (three 54-inch intakes for 78-inch pipeline and three 30-inch intakes for 33-inch bypass pipeline). **7)** Additional costs for NOA related construction air monitoring to cover two additional years of earthwork activities. **8)** Additional Environmental Mitigation related projects. **Changes to project costs include:** **1)** Planning & Environmental Phase costs have increased by \$34.597M due to Environmental Consultant fees, Santa Clara Habitat Agency fees, Legal support fees, Environmental Review, and additional Valley Water labor. **2)** Design Phase & ROW costs have increased by \$47.327M due to Project Management and Design Consultant fees, Division of Safety of Dams fee, Right-of-Way Acquisitions, and additional Valley Water labor. **3)** Construction Phase costs have increased by \$473.807M due to increased Construction Management and Engineering Support During Construction Consultant fees, revised Construction Contract costs, Environmental Mitigation, and additional Valley Water labor. **4)** Additionally, the encumbered balances have increased by \$10.923M as a result of funds being added to various contracts and consultant agreements (Flatiron West Inc., Horizon Water and Environment, LLC, COWI North America Inc., Black and Veatch Corporation, URS Corporation, Best Source, HDR Engineering, Inc., VNF Solutions, LLC, AECOM Technical Services, Inc.) and Other open Purchase Orders.

3. **91084020 Calero and Guadalupe Dams Seismic Retrofits (Planning only)**

**SCHEDULE CHANGE (PHASE ONLY) – TPC CHANGE DUE TO INFLATION: TPC increased by \$99K**

The uninflated TPC uninflated remains the same; however, the TPC increased by \$99K due to inflation. Project completion schedule remains the same however the Environmental Phase extended to complete the EIR and obtain permits from regulatory agencies. Management decided that the EIR for Guadalupe Dam, currently in progress, would only be completed once the FAHCE effort EIR process is completed. The FAHCE EIR is expected to be completed by mid-2022. The Guadalupe Dam EIR process will then be pursued to completion. The Environmental Phase has therefore been extended by one year to 6/30/2024. Planned expenditures have been updated to reflect the updated Project schedule changes.

4. **91894002 Guadalupe Dam Seismic Retrofit – Design & Construction**

**SCHEDULE CHANGE (PHASE ONLY) – TPC CHANGE DUE TO INFLATION: TPC decreased by \$1.939M**

The uninflated TPC remains the same, however the inflated TPC decreased by \$1.934M. Project completion schedule remains the same at FY28. Adjustments have been made to the planned expenditures in FY22, FY23, and FY24 based upon the current burn rate projections (reduced FY22, increased FY23 and FY24, net change zero). As a result of the shift in planned expenditures, the overall TPC decreased due to inflation changes.

5. **91234002 Coyote Pumping Plant ASD Replacement**

**SCHEDULE (PHASE ONLY) AND COST: TPC increased by \$11.773M**

The overall project duration has not changed. The Design Phase schedule has been extended to reflect the current status of the design-build entity procurement process and to account for the overlap that occurs between design and construction in a project that is delivered using the

progressive design-build delivery method. The Environmental Phase cost has increased due to the extra effort required to coordinate the completion of the National Environmental Policy Act (NEPA) document with the United States Bureau of Reclamation. As the first progressive design-build project for Valley Water, the project team was also responsible for developing templates specific to the progressive design-build project delivery method. The Design Phase cost has increased to account for the additional funds needed to cover the cost of preparing those documents, including the Request for Qualifications (RFQ), Request for Proposal (RFP), and the design-build agreement, as well as to cover the review of the documents submitted by potential proposers, including the Statement of Qualifications (SOQ) and the proposal, and to cover negotiations for phase 1 of the design-build agreement. Furthermore, additional funds are needed to cover phase 1 of the design-build agreement, currently estimated to be 10% of the latest construction cost estimate. Phase 1 includes review of the preliminary design documents, development of construction cost estimates, design workshops with staff, phase 2 (construction) negotiations, and completion of the final design. This cost increase also accounts for the anticipated high level of effort that will be required to manage the design-build agreement, including close oversight of cost estimates and invoicing, and the staff time that will be required to collaborate with the design-build entity as the design progresses. The original construction cost estimate had not been updated and was developed based on 2013 conditions. The design consultant (Brown & Caldwell) has prepared a detailed Class 4 construction contract cost estimate using the 30% design documents. The estimate was prepared using quantity take-offs, vendor quotes and equipment pricing. The high equipment costs reflect current market conditions, via the incorporation of vendor quotes, which have further been impacted by recent supply chain disruptions. The Construction Phase cost has increased by \$8.7M to reflect the latest Class 4 construction contract cost estimate.

6. **91234011 Coyote Warehouse**

**SCHEDULE (PHASE ONLY) AND COST: TPC increased by \$61K**

TPC increased by \$61K. Overall project completion schedule remains the same. However, Construction and Closeout Phases were extended. The Construction Phase of the Project was delayed due to COVID-19 issues including obtaining the certificate of occupancy from the City of Morgan Hill. The Board accepted Stage 1 of the Project in April 2021. Stage 2 of the Project consists of 2 years of vegetation maintenance. Construction costs have increased to account for the additional time for Construction Management staff to continue to inspect the Project and administer the Construction Contract.

7. **91954002 Pacheco Reservoir Expansion**

**SCHEDULE CHANGE (PHASE ONLY) – TPC CHANGE DUE TO INFLATION: TPC decreased by \$58.177M**

The uninflated TPC remains the same at \$2.205B, however the inflated TPC decreased by \$58.177M. Project completion schedule remains the same at FY32. As a result of project evolution, the current cost for Planning, Environmental and Design Phases have been re-evaluated, resulting in changes to phase cost. Factors that contributed to the changes in phase costs are mainly a result of requiring less resource hours to planning and environmental, but additional resource hours to design for project support. FY21 (\$24M), FY22 (\$15.4M), FY23 (\$11.9M), FY24 (\$2.4M) decreased, yet FY25 (\$33.9M) and FY26 (\$19.8M) increased (net change is zero).

8. **91214010 Small Capital Improvements, San Felipe Reach 1**

**SMALL CAPITAL FORECAST REVISIONS: TPC decreased by \$3.972M**

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

**Transmission Facilities:**

9. **95084002 10-Year Pipeline Rehabilitation**

**SCHEDULE CHANGE (PHASE ONLY) – TPC CHANGE DUE TO INFLATION: TPC decreased by \$1.052M**

The uninflated TPC remains the same. However, the inflated TPC decreased by \$1.052M. The project completion schedule remains the same at FY27. Environmental Phase costs have increased to fund the PMP programmatic EIR, project staff, environmental staff, and consultant task order. A budgetary estimate (\$800,000) has been provided by Panorama Environmental, Inc., the environmental consultant working on the PMP update. Design Phase, Construction Phase, and Close-Out Phase have decreased because the Design Phase Work Plans for Snell Pipeline and West Pipeline have been completed that include a detailed analysis of the project costs and expenditures. As a result of the shift in phase costs, the overall TPC decreased due to the avoidance of inflation.

10. **92304001 Almaden Valley Pipeline Replacement**

**SCHEDULE (PHASE ONLY) AND COST: TPC increased by \$20.569M**

Project completion schedule remains the same; however, the Construction Phase was extended by 1 year to accommodate new information provided by the Programmatic EIR. Each new fiscal year, the CIP adds the upcoming FY planned expenditures from the original Project Plan. The 21-year total Project Plan was initiated in FY21, and the CIP only provides for a 15-year projection. This CMM update adds FY37 into the 15-year projection. There were also cost increases to Planning and Environmental Phases due to new data that was provided during the Programmatic EIR. Note that budget for years FY38-FY41 is not included in TPC but is reflected in the funding models via placeholder.

11. **95044001 Distribution Systems Implementation**

**SCHEDULE (COMPLETION DATE) AND COST: TPC increased by \$1.048M/Schedule extended by 2 years**

Through the development of the consultant's scope of services and completing the consultant selection process for the accompanying WTP Implementation Project (Project No. 93044001), staff has a more refined plan for the work and project cost. Since the project schedule will extend to the end of FY25, additional labor cost is needed to support the work. The project schedule extended by two years.

12. **92C40357 FAHCE Implementation**

**PLACEHOLDER PROJECT ADMINISTRATIVE UPDATES (made after 11/15/21): Schedule Only**

Since the two creeks FAHCE EIR is still being finalized and agency permitting will also be required, the FAHCE implementation project planned expenditures were moved to begin in FY25. Additionally, after consulting with the project team, the \$90M for Phases 2 and 3 of FAHCE

Implementation were spread out evenly over out years to better align with the FAHCE settlement agreement.

13. **26764001 IRP2 (Infrastructure Reliability Plan) Additional Line Valves**

**SCHEDULE (PHASE ONLY) AND COST: TPC increased by \$4.504M**

Overall project schedule remains the same. However, the Environmental Phase was extended by four years. The IRP2 Additional Line Valves Project will be constructed with the 10-year Pipeline Inspection and Rehabilitation Projects. The project costs have increased for the following reasons: Environmental Phase costs have increased because CEQA clearance must be coordinated with the 10-Year Pipeline Inspection and Rehabilitation Project. Concurrent implementation of the IRP2 Project and the 10-year Pipeline Inspection and Rehabilitation Project will minimize impacts to local retailers and reduce amount of water released to the environment. Design Phase costs have increased due to the purchase of property from PG&E and UPRR, ongoing coordination needed to acquire easements for construction and long-term maintenance of the facilities proposed as a part of the project, and delays in acquiring encroachment permits from outside agencies who were experiencing staffing constraints as a result of COVID-19 restrictions. The encroachment permit delays required additional staff time to follow-up with outside agencies to procure permits. These encroachment permits were necessary to proceed with preliminary investigations, and subsequently the design of the project. Construction costs have increased based on the engineer's estimate developed during the Design Phase. The primary reasons are due to larger size vaults to house and access mechanical and electrical equipment, higher material costs, and higher excavation shoring costs than were previously estimated.

14. **92144001 Pacheco/Santa Clara Conduit ROW Acquisition**

**SCHEDULE CHANGE (COMPLETION DATE) AND COST: TPC increased by \$849K**

TPC increased by \$849K. Project schedule extended by 15 months for Construction and Closeout Phases to be completed in FY24. Costs increased in Environmental Phase due to unanticipated delays in finalizing the environmental clearance documents and providing additional biological support for NEPA clearance. Design and ROW Phase cost increase due to additional real estate acquisition prices in Santa Clara County. Construction Phase cost increased due to material cost escalation.

15. **95044002 SCADA Implementation**

**SCHEDULE CHANGE (PHASE ONLY) – TPC CHANGES DUE TO INFLATION: TPC decreased by \$10K**

TPC uninflated remains the same and project completion date remains the same. No change to the overall project schedule; however, the Planning Phase has been extended by one year due to the actual timeline for project consultant selections. Also, project phase schedule clarifications reflect that the project includes a Programmatic Environmental Impact Report (PEIR) but does not include any construction work.

16. **94084007 Treated Water Isolation Valves**

**SCHEDULE CHANGE (PHASE ONLY) – TPC CHANGES DUE TO INFLATION: TPC decreased by \$181K**

TPC uninflated and overall project schedule remains the same; however, TPC decreased by \$181K due to inflation. In FY 20, the Pipelines Project Delivery Unit was not granted an unfunded needs

request to initiate the Treated Water Isolation Project in FY 21. Resources were unavailable to initiate the Planning Phase until Q1 of FY 22. The Project Expenditure Plan has been revised to reflect the anticipated award of construction contracts per the latest Long-Term Shutdown Schedule. Proposed Construction Award dates are West Pipeline Phase 1 in FY24, West Pipeline Phase 2 in FY25, and Milpitas Pipeline in FY27. It is anticipated these construction projects will be awarded in the last quarter of their respective fiscal years. Accordingly, the anticipated construction contract expenditures are phased over the years the actual construction activities are expected to occur.

17. **92264001 Vasona Pump Station Upgrades**

**SCHEDULE (PHASE ONLY) AND COST: TPC decreased by \$1.476M  
(NEW UPDATE made after 11/15/21)**

There is no change to the project completion date; however, funds are being shifted from FY23 to FY24 to reflect the Design/Build timeline and align with available staff resources. The total project cost (TPC) has decreased by \$1.476M.

**Treatment Facilities:**

18. **93294051 RWTP Residuals Management**

**SCHEDULE (COMPLETION DATE) AND COST: TPC increased by \$1.916M/Schedule extended by 3 years**

The Project schedule was extended by three years. The Construction Phase was extended by three years to capture ongoing contract legal issues. Project costs have increased due to ongoing Contract Legal issues as well as the rental of a mobile centrifuge and on-call maintenance agreements.

19. **93294058 RWTP Residuals Remediation**

**SCHEDULE (PHASE ONLY) AND COST: TPC increased by \$9.163M**

The overall project schedule remains the same; however, the Design Phase was extended by 2 years to accommodate the mobile centrifuge and on call agreement. The Design Phase has been extended to 6/30/2023 as the mobile centrifuge and on-call standing order maintenance contract are line items under this phase and must remain open and active until the end of construction. The Construction Phase has been adjusted to end at the end of FY23. The Close-out Phase has been adjusted to align with construction schedule adjustments. The Design Phase cost has been increased to reflect a previously procured on-call standing order maintenance contract. The Construction Phase cost has been increased to account for the higher than estimated construction contract bid. The Construction Phase cost was also increased to include engineering support services during construction and operations involvement to help ensure successful implementation of the project.

20. **93294057 RWTP Reliability Improvement**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 1 year/TPC increased by \$101.8M**The overall project schedule has been extended by 1 year to accommodate the updated Closeout Phase schedule. The Design Phase of the project has been extended to 2023 to accommodate the re-packaging and re-bidding of the remaining phases of the project. The Construction Phase of the project has been extended to reflect the duration required to complete Phases III - VI. Design Phase cost increases are mainly due to the remaining phases requiring repackaging of the plans and specifications to accurately reflect the status of the work

for construction contractors to bid on. The increased Construction Phase cost reflects the first detailed review and cost estimate of outstanding improvements remaining from the previous Reliability Improvement Project construction project initiated in 2015.

**21. 93764004 Small Capital Improvements, Water Treatment**

**SMALL CAPITAL FORECAST REVISIONS: TPC decreased by \$2.552M**

The forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. It's not a single asset rehabilitation project that leads to the change, but rather the cumulative total of multiple changes.

**22. 93044001 WTP Implementation**

**SCHEDULE (COMPLETION DATE) AND COST: TPC increased by \$1.319M/Schedule extended by 2 years**

Increase in Planning and Environmental Phases due to additional consultant costs and staff labor costs to manage the consultant through FY25. Project schedule extended by two years due to delays in consultant negotiations and finalizing the agreement with the consultant.

**Recycled Water Facilities:**

**23. 91304001 Purified Water**

**SCHEDULE (COMPLETION DATE) AND COST: TPC increased by \$113.185M/Schedule extended by 1 years**

Overall project schedule extended by 1 year to FY29 to accommodate the addition of a Closeout Phase. In June 2021, Valley Water completed the Countywide Water Reuse Master Plan (CoRe Plan) which identified feasible opportunities to expand water reuse. The CoRe Plan outlines indirect and direct potable reuse project portfolios in a programmatic approach to consider a wide range of reuse opportunities for flexible implementation. To this end, Valley Water pursued projects in two locations, expansion of the Silicon Valley Advanced Water Purification Center in San Jose as well as a project in Palo Alto to build on a partnership agreement with Palo Alto and Mountain View executed in 2019, which included an effluent transfer option. The addition of the effluent transfer option from the City of Palo Alto will require additional preliminary investigations and a subsequent change in the project scope. The total project costs have increased by \$113.185M (inflated) due to the addition of a second option to transfer treated effluent from the City of Palo Alto and in order to obtain better pricing from the P3 entity, additional preliminary work was added to the overall project scope.

**24. 91094009 South County Recycled Water Pipeline (Short Term 1B)**

**SCOPE, SCHEDULE AND COST: TPC increased by \$2.717M/ Schedule extended by 2 years/Scope**

The project schedule was extended by two fiscal years due to NEPA clearance delays and the project advertisement for construction bids was placed on hold until discussions of the governance of the South County Recycled Water Pipeline system progressed. A Technical Working Group between Valley Water, City of Gilroy and City of Morgan Hill was approved by the City Councils and the Valley Water Board of Directors at a Joint Session between the parties on

8/23/2021. The project scope changed due to switch from high density polyethylene pipe (HDPE) to welded steel pipe due to the utility congestions and the constructability of the HDPE. Project cost increase of \$5.0732M is due to purchase of additional real estate along Phase 1C and for increased construction contract costs, construction management services, construction inspection and engineering support during construction.

**91094009 South County Recycled Water Pipeline (Short Term 1B) Project (REVISED after 12/13/21):** The TPC increase of \$5.0732M (with inflation) decreased by \$2.356M, bringing the TPC to \$42.976M since the last project plan update. Construction Phase costs has decreased because the construction contract low-bid amount is less than the Engineer's Estimate. When combined with the project plan update shown above, the TPC increased by \$2.717M from the Board adopted FY2022-26 CIP.

**25. 91094010 South County Recycled Water Pipeline (Short Term 2)**

**SCHEDULE (COMPLETION DATE) AND COST: TPC increased by \$791K/Schedule extended by 2 years**

The project schedule was extended by two years due to the slow-down in the residential development along the recycled water conveyance route; increase in Construction Phase costs are due to delays associated with unanticipated impacts from the pandemic, which have altered development planning, permitting and construction activities in the City of Gilroy. The TPC increased by \$791K due to inflation resulting from the schedule changes.

## **FLOOD PROTECTION**

### **Lower Peninsula Watershed:**

**26. 10394001 Palo Alto Flood Basin Tide Gate Structure Replacement**

**SCOPE, SCHEDULE AND COST: Scope change/Project Schedule extended by 3 months/ TPC increased by \$1.040M**

The project scope was updated to remove the levee trail surface improvements. The levee trail surface improvements were intended to smoothen, strengthen, and provide an all-weather trail surface for the contractor to use during construction, and would have been installed by Valley Water's Operations & Maintenance (O&M) staff. Additional time needed for regulatory approval for the levee trail surface improvements combined with O&M staff's concerns about completing the planned work within the allotted time window further reduced the benefits of this work. In lieu of the levee trail surface improvements, the construction contractor will be required to perform in-kind repairs to the levee as needed during the normal project work seasons. The project schedule was updated for the following Phases: Environmental Phase: Valley Water is currently in discussions with multiple regulatory agencies to obtain the necessary regulatory permits to cover the proposed project activities. In addition, Valley Water is coordinating and discussing potential required tribal and archaeological monitoring. More time is needed to acquire all necessary project permits and negotiate reasonable permit conditions. Construction Phase: In the current materials market, the contractor's steel sheet pile procurement lead time is estimated at five and a half months from time of order. Prior to the contractor ordering these materials, the contractor must design and submit their proposed Dewatering System Plan for review and approval from Valley Water, RWQCB, CDFW, and NMFS. We anticipate a minimum of seven and a half months lead time will be needed to ensure a smooth start to onsite construction



and prevent delay claims and change orders due to long material procurement lead times. Construction advertisement remains on schedule, but construction start may require adjustment for approval of the Dewatering System Plan and procurement of project materials. Additionally, the proposed schedule will allow ample time to implement a contractor pre-qualification to help ensure bidding contractors are experienced in similar work conditions.

27. **26244001 Permanente Creek, SF Creek to Foothill Expwy**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 3 years/TPC decreased by \$3.702M**

Construction is complete; however, the project schedule has been extended by three years to include a plant establishment period and closeout activities. There are minor cost increases for Planning, Environmental, Design and right-of-way Phases due to various task code discrepancies. The Construction Phase cost decreased since the soil off-haul and civil construction at Rancho San Antonio was able to be completed earlier and at a lower cost than anticipated. The civil construction of the project was completed as of June 2021. However, staff will continue to work with the Rancho San Antonio contractor during the plant establishment period, which will last until February 2024. There will be some additional closeout tasks after the completion of the plant establishment period, hence the Closeout Phase end date is set to June 30, 2024.

28. **10244001 Permanente Creek, SF Bay to Foothill Expwy**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 2 years/TPC increased by \$787K**

As a sub-project of the Permanente Creek Flood Protection Project, the project number was re-opened under Fund 12 and two fiscal years were added to the project schedule. For FY22, \$125K will be needed for the cost-share agreement with the City of Mountain View for the bleacher retrofit at the McKelvey Park Detention Basin Project, and \$325K for the Channel Improvements Project to design the floodwall retrofit and begin the construction of the floodwall retrofit in late spring 2022. Floodwall retrofits downstream Highway 101 are required to complete the Federal Emergency Management Agency Letter of Map Revision package.

29. **26284002 San Francisquito Creek (Construction SF Bay to Middlefield Rd.)**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 4 years/TPC increased by \$12.605M**

The overall project schedule has been extended by four years. The schedule of this project has been extended to accommodate the USACE Continuing Authorities Program Section 205 (CAP 205) process as well as the updated duration needed for the San Francisquito Creek Joint Powers Authority to apply for and receive state and federal regulatory permits. Based on the current status of the CAP 205 study and permit applications, this project will be advertised in early 2023 for construction in summer of 2023 for the creek widening sites, with Pope-Chaucer Bridge bid and construction in 2024. The end date of the Construction Phase was extended to December 2027 to cover the three-year plant establishment period and the Closeout Phase was extended into FY28 due to closeout time needed after the end of the plant establishment period. The total project cost for Phase 2 (Highway 101 to Middlefield Road) will be increased by \$6.928M (uninflated) because of the need to extend the project schedule to accommodate the CAP 205 process. The environmental budget has increased to accommodate the additional efforts needed to apply for and receive the state and federal regulatory permits. The planned expenditures for

right-of-way has increased to account for the cost escalation of the permanent and temporary construction easements and additional staff hours needed for the associated real estate and rights-of-way mapping tasks. Construction budget has increased to account for the construction cost escalation and the cost of two floodwalls upstream of University Avenue that were not budgeted previously. In addition, closeout budget has increased to cover the three-year plant establishment period.

**26284002 San Francisquito Creek Flood Protection – Construction SF Bay to Middlefield Rd.**

**(REVISED after 11/15/21):** Project expenditures have been reduced in FY23 and added to FY24 and FY25 to reflect a revised approach to phase the encumbrances for construction dollars in those years. Additionally, in coordination with the San Francisquito Creek Joint Powers Authority (SFCJPA), \$5M has been added to FY25 to address top of bank treatments that will likely be required. As a result of these latest changes, the TPC increased by \$5.51M (inflated). The project cost increases are reflected in the unsecured SFCJPA partnerships and grants funding source in the FY 2023-27 Preliminary CIP. Based upon this revision and combined with the project plan update presented to the CIP Committee on November 15, 2021 (referenced above), the change from the Board adopted FY2022-26 CIP is a TPC increase of \$12.605M (inflated).

**Guadalupe Watershed:**

**30. 30154019 Guadalupe River Tasman Drive to I-880**

**SCHEDULE (COMPLETION DATE) – TPC CHANGES DUE TO INFLATION: Schedule extended by 2 years/TPC increased by \$3.262M**

No change to TPC; however, the overall project schedule has been extended by 2 years due to delay in feasibility alternatives review and extension of the design schedule from two to three years. Based upon these changes the start of construction will be moved out by two years to FY25 and the TPC has increased by \$3.262M due to inflation.

**Coyote Watershed:**

**31. 26174041 Berryessa Creek, Calaveras to I-680 Corps**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 3 years/TPC increased by \$768K**

The overall project schedule has been extended by 3 years to reflect the completion of the Construction and Closeout Phases for the project from FY21 to FY24. The Construction Phase extension is required to meet the recent San Francisco Bay Regional Water Quality Control Board permitting requirements regarding the Stormwater Management Plan and the Adaptive Management Plan for maintenance purposes. The additional 3 years for closeout are necessary are necessary to finalize Valley Water's participation cost share for the design and construction work managed by the U.S. Army Corps of Engineers as outlined in the Project Cooperation Agreement for the project.

**32. 40174004 Lower Berryessa Creek Phase 1**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 1 year/TPC increased by \$83K**

Due to the delay in final completion of overall project construction by one year (from FY22 to FY23), an additional \$77k would be required to have Stillwater Sciences complete the final

mitigation and monitoring and any additional planting establishment requirements by FY23. Overall project schedule extended by 1 year to accommodate the mitigation planting installed by the contractor that was washed away during the 2017 storm. After the wash out, the contractor was not able to fulfill the specified planting establishment by the conclusion of the civil construction for the Project in FY17. This required the District to hire a qualified subcontractor to finalize the planting establishment, followed by the 5-year permit-required mitigation and monitoring portion of the Project. Hiring the qualified subcontractor, Stillwater Sciences, delayed the start of the 5-year mitigation and monitoring by one year to FY18, thus triggering an additional one-year in the original planned expenditures budget schedule (now FY19 to FY23). The Project Plan Schedule now reflects corrected and assumed dates for Design, Construction and Closeout items.

**33. 40174005 Berryessa Ck, Lower Pen Ck to Calaveras Blvd. Phase 2**

**COST ONLY: TPC increased by \$1.502M**

There are no changes to the project schedule. Additional funds are needed in response to higher than anticipated labor costs for in-house construction staff. Recent monthly labor spending rates during construction indicate there is insufficient budget for construction staff labor costs for FY22 and FY23. Staff estimates an additional \$500k is needed for FY22, and \$800k needed for FY23. The total additional project funds requested is \$1.3M for the Construction Phase. Staff labor costs for Environmental, Design and Closeout Phases were higher in FY21 by \$222k.

**34. 40334005 Lower Penitencia Creek (Berryessa to Coyote Creeks)**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 1 year/TPC increased by \$6.892M**

The overall project schedule is extended by one year. Valley Water issued Notice to Proceed to Gordon N. Ball (Contractor) for construction on June 18, 2021. Construction is scheduled to be completed on December 31, 2022 (FY23). The 3-year plant establishment period will begin after construction and ending on December 31, 2025 (FY26). The total project cost increase is to restore funds that were previously reallocated to the Shoreline Project. Project expenditures for FY21 have been moved to FY22 and through remaining FYs due to construction starting later in summer 2021 instead of summer 2020 due to delays in finalizing the Master Agreement with City of Milpitas. Actual bid price and design cost have been included with FY21 expenditures. Plant establishment will now be completed in FY26.

**Uvas Llagas Watershed:**

**35. 26174051 Upper Llagas Creek (LERRDs Reimbursable)**

**COST ONLY: TPC increased by \$3.045M**

The overall project schedule remains the same. The costs to relocate various existing utilities in conflict with the project has increased due to the discovery of previously unknown underground utilities and cost increases for construction materials. The costs to acquire the last couple of remaining properties required for the project have increased, including an extended full property acquisition that involves a property owner relocation. The eligible costs associated with this increase will be reimbursed by DWR – State Subventions Program.

## Multiple Watersheds:

### 36. **00044026 South San Francisco Bay Shoreline Project EIA 11** **SCHEDULE (PHASE ONLY) AND COST: Decreased by \$38.77M**

This project is Phase 1 of a larger Shoreline Project and is broken into Reaches 1-5. The U.S. Army Corps of Engineers (USACE) is the lead sponsor of the project, which includes Valley Water and California Coastal Conservancy as project partners. Reaches 1-3 were planned for construction first, with Reaches 4-5 to follow. In spring of 2021, USACE updated the project costs, which nearly tripled the cost of Reaches 1-5. Prior to the 2021 project cost increase, the FY22-26 CIP included planned expenditures for Reaches 4-5, but as a result of the cost increases the majority of planned funding was reallocated to Reaches 1-3 in order to advance construction. The cost increase left Reaches 4-5 largely unfunded by all project partners. The TPC decrease of \$38.77M reflects the removal of planned expenditures associated with Reaches 4-5 real estate acquisition and utility relocation, to allow for additional time to: a) eliminate overlap with Reaches 1-3 construction, such that we don't have contractors competing for fill, which is a key cost driver; b) to provide time for the non-federal sponsors to address financing the local cost share and federal shortfall to complete the project beyond Reaches 1-3 as authorized; and c) to identify other opportunities to complete the project beyond Reaches 1-3 at a lower cost. There is no change to the overall project schedule; however, the Design and Environmental Phase have been extended by 12 months, so that USACE can gather additional field data and conduct hydraulic analysis required for the Union Pacific Railroad Closure Structure and Pedestrian Bridge design.

### 37. **62084001 Watersheds Asset Rehabilitation Project (WARP)** **SMALL CAPITAL FORECAST REVISIONS**

The uninflated total project cost remains the same, however the inflated total project cost decreased by \$8.849M. The schedule remains the same with only a shift in proposed planned expenditures for future years. The work requests coming from Watersheds Operations and Maintenance Division can vary from year to year, depending on the immediate needs and priorities. For FY23 and FY24, the Operations and Maintenance Engineering Support Unit has requested a number of projects be handled under the Watersheds Asset Rehabilitation Program. Below is the current list and estimated construction costs planned for FY23 and FY24. FY23 (Total construction expenditures needed above current approved project plan): \$3M. 1.) Gabion repair work at San Carlos Street, Guadalupe River \$1M. 2.) Gabion repair work at Blossom Hill Road, Guadalupe River \$1M. 3.) Reinforced Concrete Box repair work at Finch Avenue, Calabazas Creek \$1M. FY24 (Total construction expenditures needed above current approved project plan): \$14M. 4.) Alviso levee repair, Alviso Slough \$2M. 5.) Malone Road retaining wall repair, Guadalupe River \$2M 6.) Levee rehabilitation, Randol Creek \$2M (was initially validated FY23 for unfunded list). 7.) Channel erosion repair, Regnart Creek \$5M (Union Pacific Trail to Bubbb Road). 8.) U-frame wall repair, Permanente Creek \$3M (Mountain View Avenue to Park Avenue). As outlined, \$17M in additional funding will be needed in FY23 and FY24 to account for increased construction costs. To make up for this difference, expenditures planned from FY31 through FY34 have been reduced by \$16,382,000 and redistributed to FY23 and FY24. As a result of the shift in planned expenditures, the overall total project cost decreased due to inflation changes.

#### **62084001 WARP**

##### **CIP Evaluation Team Recommendation on 11/18/21:**

Project expenditures have been updated to reflect the shifting of previously scheduled work to add two projects from the Initially Validated list in FY23 and FY24. The Initially Validated list of

projects was presented to the CIP Committee in October 2021 the Board of Directors in November 2021. The uninflated total project cost remains unchanged; however, the inflated total project cost has increased by \$287K. Based upon this revision and combined with the project plan update presented to the CIP Committee on November 15, 2021 (referenced above), the change from the Board adopted FY2022-26 CIP is a TPC decrease of \$8.56M (inflated).

## **WATER RESOURCES STEWARDSHIP (Environmental Enhancement and Stewardship)**

### **Lower Peninsula Watershed:**

#### **38. 26164001 Hale Creek Enhancement Pilot Study**

##### **SCHEDULE CHANGE (COMPLETION DATE) – TPC CHANGE DUE TO INFLATION: TPC increased by \$K**

TPC uninflated remains the same; however, TPC increased due to inflation as a result of the overall project schedule being extended by 1 year. The project construction has been postponed by a year, from summer of 2021 to summer of 2022. The project construction was delayed to allow additional time for coordination with property owners to obtain permanent easement and temporary construction easements. In FY21, the Board approved a schedule adjustment, extending the project completion by a year to FY23. The current proposed project schedule extends the Construction Phase into December 2025 to cover the three-year plant establishment period. The Closeout Phase was extended into FY26 due to closeout time needed after the end of the plant establishment period.

### **Coyote Watershed:**

#### **39. 26044003 Ogier Ponds Separation from Coyote Creek Planning & Design Project**

##### **SCOPE, SCHEDULE AND COST: TPC increased by \$2.115M/Schedule extended by 1 year/ Scope change**

The project completion schedule was extended by 1 year to account for addition of the Design Phase. The proposed project scope updates include design work which was not previously included in the Project Plan. The project is being considered as a conservation measure in the Anderson Dam Seismic Retrofit Project Environmental Impact Report (ADSRP EIR). As such, the project will deliver sufficient design details to the ADSRP EIR preparers for EIR impact analysis by the end of calendar year 2021. This will require expediting typical project planning and design work procedures to meet the ADSRP EIR schedule. The project site is located on Santa Clara County Parks property. Beginning in 2018, Valley Water has been negotiating a memorandum of Agreement (MOA) with County Parks; however, the MOA is not yet finalized. Ongoing negotiations have delayed the project start by more than two years. To avoid further delay, Valley Water coordinated with County Parks to obtain a right of entry to the project site via the existing Master License Agreement with County Parks. As a result, Valley Water has commenced collecting data for the project which extends the Environmental Phase and now includes a Design Phase period. Valley Water continues to pursue a final MOA with County Parks. The revised planned project expenditures include additional funds to complete the Design Phase.

40. **00C40400s Watershed Habitat Enhancement Design & Construction**

**PLACEHOLDER PROJECT ADMINISTRATIVE UPDATES (made after 11/15/21)** This project is included in the CIP as a placeholder project to provide for future design and construction of possible habitat enhancements that may occur at Metcalf Ponds (95C40400 Project 1 Design & Construction (e.g. Metcalf Ponds): \$29.66M); and to provide funding for possible future construction at Ogier Ponds (95C40401/62C40402 Ogier Ponds – Construction: \$36.59M (\$18.295 from Fund 61 and \$18.295 from Fund12)). Since the Ogier Ponds Project is potentially being planned for future construction as a conservation measure for the Anderson Dam Seismic Retrofit Project and additional funding will likely be required; \$10M was shifted from the Watershed Habitat Enhancement Design & Construction placeholder project to the Ogier Ponds placeholder project (Fund 61 - 95C40401). The remaining planned funding for the Watershed Habitat Enhancement Design & Construction placeholder project totals \$19.66M and the new planned funding for Ogier Ponds totals \$46.59M.

*(Note: The planning and design for Ogier Ponds is an active project in the FY 2022-26 CIP (Project No. **26044003** listed above) and is funded under the Safe, Clean Water and Natural Flood Protection Program, Project D4.1. with an inflated TPC of \$6.24M.)*

**Uvas Llagas Watershed:**

41. **26044004 Bolsa Road Fish Passage Improvements**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 3 years/TPC decreased by \$70K**

Expenditures are reduced in FY23 and increased in FY24, FY25, and FY26 to accommodate the 3-year plant establishment period. The overall project schedule was extended by 3 years to capture the remaining tasks such as plant establishment period as well as resolving any outstanding claims and completing any transition work to move the project from the Construction Phase to the Operations and Maintenance Phase. The new closeout end date is in FY26.

**Multiple Watersheds:**

42. **20444001 Salt Ponds Restoration Project**

**SCHEDULE (COMPLETION DATE) AND COST: Schedule extended by 3 years/TPC increased by \$4.88M**

The overall project schedule has been extended by three years. The recommended project will be determined at the conclusion of Planning Phase. Staff presented the Feasibility Study to the Board during the April 27, 2021 meeting and received approval to proceed to Planning Phase. During Planning Phase, staff will explore a robust set of alternatives, including an integrated project alternative (Feasibility Study Option C) which combines the Calabazas/San Tomas creek realignment project with SBSPRP planned tidal marsh restoration project. Although the staff-recommended alternative has yet to be determined, to be conservative the budget and schedule presented herein is largely based on Option C which has the largest scope of the options that were identified in the Feasibility Study. Construction costs remained unchanged but will be revised once staff recommended alternative is presented to the Board at the end of the Planning Phase. Revised cost estimates from planning through Design Phases are also based on Option C from the Feasibility Study, which is the highest cost option.

The total cost for project planning, environmental, and Design Phases estimated at \$7.8M, an increase of \$6M. SF Bay Restoration Authority (Measure AA) and California Department of Fish and Wildlife (Proposition 1) grant funding of \$3.87M would offset 65% of that increase. The construction cost estimate of \$1.575M remains unchanged but will be revised upon Board selection of project alternative at conclusion of Planning Phase, expected in March 2024. In summary, the project cost has increased by \$6.012M based on Option C, the largest and most complex option with significant increase in scope from the original realignment project and increases are due to changes in planning through design cost estimates. Construction cost estimate was not revised with \$19.5M for Option C but will be later updated with the refined construction cost estimate of the staff recommended alternative at the end of Planning Phase.

**20444001 Salt Ponds Restoration Project (REVISED after 11/15/21):** The total project cost now excludes the construction placeholder amount of \$1.58M. The project plan will be updated to include construction costs once a staff recommended alternative is presented to the Board at the end of the Planning Phase, expected in summer of 2024. As a result, the TPC from the Board adopted FY 2022-26 CIP has now only increased by \$4.88M to account for project planning, environmental, and Design Phase cost increases. The new inflated TPC is now \$12.42M. Based upon this revision and combined with the project plan update presented to the CIP Committee on November 15, 2021 (see Attachment 2), the change from the Board adopted FY 2022-26 CIP is a TPC increase of \$4.88M (inflated).

## **BUILDINGS AND GROUNDS**

### **43. 60204022 Security Upgrades and Enhancements**

#### **CIP Evaluation Team Recommendation on 11/18/21:**

A new project was created for inclusion in the CIP. This project will significantly enhance overall security at Valley Water facilities through technological and physical upgrades and enhancements. This project includes designing and installing a modern technical security system capable of meeting today's security and investigative requirements and improves physical security for critical facilities and assets. The estimated total inflated project cost is \$17.67M and the project is expected to last four to six years.

## **INFORMATION TECHNOLOGY**

### **44. 73274009 Data Consolidation Project**

#### **SCHEDULE (COMPLETION DATE) – TPC CHANGE DUE TO INFLATION: Schedule extended by 2 years/TPC increased by \$39K**

The project schedule was extended by 2 years to accommodate additional needs identified by a 2021 audit of the Community Projects Review Unit (CPRU). The audit recommendations must be implemented by June 2023 per auditors, so other tasks within this project will need to be delayed to meet that deadline. TPC increased by \$39k due to inflation.

### **45. 73274001 IT Disaster Recovery Project**

#### **SCHEDULE (COMPLETION DATE) – TPC CHANGE DUE TO INFLATION: Schedule extended by 2 years/ TPC increased by \$3K**

The project schedule was extended by 2 years due to Covid-19 responses and because Valley Water was not able to complete the Disaster Recovery planning process. This process was

pushed into FY22 for completion. Upon completion of the Disaster Recovery planning process, Information Technology will prioritize approved projects and implement selected projects during FY22 – FY24. TPC increased by \$3k due to inflation.

46. **73274008 Software Upgrades and Enhancements Project**

**SCOPE AND COST: Scope change/TPC decreased by \$1.384M**

There was no change to the overall project schedule. The scope of this project is being updated to include upgrades and enhancements for additional technology solutions including Munibilling, Information Technology Service Management, Online Payment Processing, Various Cloud Migrations (SMP, Oracle, Maximo, GIS), Workforce Planning, Learning Management System Upgrades, Expansion of Hyland Onbase and proposed expansions to Wells Management and CRM tools. These changes to scope do not increase the project's overall planned expenditures. TPC decrease was due to under expenditure in FY21.