

Summary of Capital Project Plan Updates from CIP Adopted Fiscal Year 2025-29 Five-Year Plan

Below is a detailed summary of all processed project plan updates with revised total project cost (TPC) from the CIP Adopted Fiscal Year (FY) 2025-29 Five-Year Plan by type of improvement. All project plan updates included in this attachment will be reflected in the baseline CIP Preliminary FY 2026-30 Five-Year Plan. Since the Significant Project Plan Updates submittal deadline, there have been new project plan updates identified. The new changes below were not finalized in time for the December 16, 2024 CIP Committee Meeting, but since then have been incorporated into the Baseline Preliminary FY 2026-30 Five-Year Plan. Each new update has been identified with “(NEW)” after the project name/number. The Baseline Preliminary FY 2026-30 Five-Year Plan will include all project plan updates in this attachment.

WATER SUPPLY – STORAGE:

1. 91864005 Anderson Dam Seismic Retrofit (C1) Project

COST ONLY - Inflated TPC decreased by \$9.05M (inflation only)

The planned expenditure changes reflect a reallocation of funds from FY25 and FY26 to future years due to the refinement of anticipated work expected to occur through the next fiscal year. There is no change to overall schedule milestones, only adjustments to planned expenditures to reflect the onboarding of the construction management consultant and anticipated work to occur in Year 1 of ADSRP construction. The revised inflated TPC is \$1.89B.

2. 91864006 Anderson Dam Tunnel Project

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 8 months/Inflated TPC increased by \$262K (inflation only)

The project scope has been modified to include an extension of the North Channel opening. This work was initially planned to happen during the subsequent Anderson Dam Seismic Retrofit Project; however, opportunities for efficiency and environmental benefit have accelerated this work to occur now. If delayed, existing low spots in Coyote Creek could create fish stranding hazards after high creek flows or releases from Anderson Dam. There is no change to the total project cost (uninflated), however, modifications have been made to phase costs and planned expenditures based on anticipated work expected to occur through the next fiscal year. The revised inflated TPC is \$253.26M.

3. 91864007 Coyote Creek Flood Management Measure

SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC decreased by \$16M

The Right(s)-of-Way Phase schedule is extended due to the final settlement for compensation amounts for a few easements currently being negotiated as part of eminent domain actions. Planned expenditures have been reduced in FY25 due to the Contractor's bid coming in lower than anticipated. Construction is now substantially complete enough to determine to reduce these expenses. The revised inflated TPC is \$101.45M.

4. 91864008 Coyote Creek Stream Augmentation Fish Protection Measure (Chillers)

SCHEDULE AND COST – Overall schedule extended by 9 months/Inflated TPC remains the same

The project is delayed due to a worldwide component shortage. Additionally, the delay and coordination with the furnished equipment triggered some design changes, which impacted construction completion and, consequently, the completion of the close-out phase. The inflated TPC remains at \$23.47M.

5. 91864010 Cross Valley Pipeline Extension

SCHEDULE AND COST – Overall schedule extended by 11 months/Inflated TPC increased by \$154K

The project is delayed due to extensive pipeline trench remediation work from the January 2023 storms, which caused trench backfill failure. Replacement of faulty valve actuator equipment from the manufacturer also extended project completion. As a result of the remediation work and equipment replacement, the construction completion schedule was impacted, and consequently, the completion of the close-out phase. The revised inflated TPC is \$12.06M.

6. 91874004 Calero Dam Seismic Retrofit - Design & Construction

SCOPE, SCHEDULE, AND COST – Overall schedule remains the same/Inflated TPC decreased by \$23.53M

In November 2023, the Division of Safety of Dams (DSOD) wrote to Valley Water (VW) expressing dissatisfaction with the current rehabilitation schedules for VW's dams with seismic deficiencies, including Calero Dam, Guadalupe Dam, Almaden Dam, and Coyote Dam. It required VW to submit a revised rehabilitation master schedule for these dams. The revised schedule included a new target date to commence construction at Calero or Guadalupe Dam by the summer of 2026. Following meetings with DSOD, VW responded in writing to DSOD in July 2024, acknowledging the concerns regarding the previously proposed timeline and presenting a new approach to address the identified deficiencies and ensure an earlier start of construction. This new strategy involves segmenting the construction into individual projects and prioritizing the repair of embankments and spillways to mitigate the risks that led to the reservoir restrictions. Calero Dam will be retrofitted through two distinct construction packages. Package A will focus on rehabilitating the embankment and spillway. Package B will address the construction of the new outlet works and the work at Fellows Dike. It is important to note that the scope change involves the use of two separate construction packages and the related design and construction adjustments. Still, the overall objectives of the project remain unchanged. Under this approach, Package A is set to begin construction in early 2028 and be completed in summer 2031, while Package B will start in early 2033 and finish in spring 2035. The construction details of Package A (embankment and spillway) are well-defined, making the cost estimates reasonable and reliable. However, the details of Package B (outlet works and work at Fellow Dike) still need further definition (such as whether it will involve a sloping intake, a shaft intake, or another solution), as the design must now accommodate minimizing the draining of the reservoir during construction. Therefore, an estimate for the

construction cost of Package B is not yet available and will not be included in the Total Project Cost (TPC) at this time. The revised inflated TPC is \$162.43M.

**7. 91084020 Calero and Guadalupe Dams Seismic Retrofits - Planning
COST ONLY - Inflated TPC decreased by \$128K (inflation only)**

The reallocation of funds from FY27 reflects a planned amendment to the consultant agreement for planning and environmental services, which is needed to account for more rigorous regulatory requirements in the development of CEQA documentation and natural resource agency permitting, compared to when the project was originally scoped. In addition, the planned expenditures for FY25 and onward are only for consultant services. Planned expenditures for Valley Water labor resources will be included as part of the costs for the Calero Dam Seismic Retrofit Project (Project No. 91874004) and Guadalupe Dam Seismic Retrofit Project (Project No. 91894002) respectively. The revised inflated TPC is \$13.76M.

**8. 91894002 Guadalupe Dam Seismic Retrofit - Design & Construct
SCOPE, SCHEDULE, AND COST – Overall schedule extended by 4 years/Inflated TPC increased by \$56.02M**

In November 2023, the Division of Safety of Dams (DSOD) wrote to Valley Water (VW), expressing dissatisfaction with the current rehabilitation schedules for VW's dams with seismic deficiencies, including Calero Dam, Guadalupe Dam, Almaden Dam, and Coyote Dam and required VW to submit a revised rehabilitation master schedule for these dams. The revised schedule was to include a new target date to commence construction at either Calero or Guadalupe Dam by the summer of 2026. Following meetings with DSOD, VW responded in writing to DSOD in July 2024, acknowledging the concerns regarding the previously proposed timeline and presenting a new approach to address the identified deficiencies and ensure an earlier start of construction. This new strategy involves segmenting the construction into individual projects and prioritizing the repair of embankments and spillways to mitigate the risks that led to the reservoir restrictions. The Guadalupe Dam construction has been split into two distinct packages: Package A will focus on rehabilitating the embankment and spillway, and rehabilitating and strengthening the existing outlet works (riser pipe). Package B will address the construction of the new outlet works. It is important to note that the scope change involves the use of two separate construction packages and the related design and construction adjustments, but the overall objectives of the project remain unchanged. Under this approach, Package A is set to begin construction in early 2029 and be completed in early 2032, while Package B will start in summer 2032 and finish in summer 2034. The total project cost has increased due to revised costs for the design and construction phases, as well as the addition of VW labor costs for environmental support, the latter which was previously part of the Calero & Guadalupe – Planning Project (Project No. 91084020) and has since been revised. With the renewed focus on the project, the expenditures have been revised to include additional anticipated costs. The construction details of Package A (embankment, spillway, and strengthening of the existing riser pipe) are well-defined, making the cost estimates reasonable and reliable. However, the details of Package B (outlet works) still need further definition (such as whether it will involve a sloping intake, a shaft, or another solution), as the design must now accommodate minimizing the draining of the reservoir during

construction. Therefore, an estimate for the construction cost of Package B is not yet available and will not be included in the Total Project Cost (TPC) at this time. The revised inflated TPC is \$140.71M.

**9. 91084019 Dam Seismic Stability Evaluation
SCOPE AND COST - Inflated TPC decreased by \$1.33M**

Recent consultant assessments of Dam Safety Evaluations for Coyote, Chesbro, and Uvas dams (DSE1) have confirmed that Uvas and Chesbro dams are structurally sound and require no further investigation. As a result, the need for future investigations for these two dams has been removed from the project scope. The revised inflated TPC is \$29.96M.

**10. 91954002 Pacheco Reservoir Expansion Project (PREP)
SCHEDULE AND COST – Overall schedule extended by 1.5 years/Inflated TPC decreased by \$17.06M (inflation only)**

The project's Design Level Geotechnical Investigations (DLGI) were stopped in May 2023 by court order, ruling that neither the Class 4 nor Class 6 California Environmental Quality Act (CEQA) Categorical Exemptions (CE) were applicable to this work and additional CEQA review would be required. In response, a draft Initial Study/Mitigated Negative Declaration (IS/MND) was released for public review in June 2024. Considering public and agency comments received on the draft IS/MND, Valley Water has elected to prepare a DLGI Environmental Impact Report (EIR). Following the release of the PREP Draft EIR (DEIR) in November 2021, several items have developed, such as additional coordination with PG&E, alignment and extension of transmission lines, time needed to complete the environmental studies, reservoir modeling analysis, and preparation of the Project's recirculated DEIR, EIR, and Environmental Impact Study (EIS), resulting in delays to the environmental phase and the need to recirculate the DEIR. The proposed revisions to the design and environmental phases will extend the completion of the Project Plan Schedule by 1.5 years. As a result of project evolution, the current costs for environmental and design phases have been re-evaluated, but there is no change to the total project cost. Factors contributing to the proposed changes in the phase costs mainly require less consultant resources for design, offset by additional consultant resources for environmental support. The revised inflated TPC is \$2.73B.

WATER SUPPLY – TRANSMISSION FACILITIES:

**11. 95084002 10-Year Pipeline Rehabilitation (FY18-FY27)
SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$12.63M**

The project schedule is extended by one year due to procurement lead times, unforeseen field conditions, and delays in submitting required documentation by the contractor. The project expenditures have changed due to the unprecedented flooding of Winter 2023, lead-time challenges with material and equipment during construction, fewer bidders on the market, and an increase in required staff labor. The revised inflated TPC is \$183.53M.

12. 92304001 Almaden Valley Pipeline Replacement Project

SCHEDULE AND COST – Overall schedule added new fiscal year outside the 15-year CIP forecast /Inflated TPC decreased by \$15.72M

The project design will be completed in phases that correspond to the segments of pipeline to be replaced. Construction will start earlier than initially planned to coincide with other shutdown-related projects. The design team completed the planning phase work early by leveraging historical data from the 2007 Pipeline Maintenance Program and 10-year Inspection and Rehabilitation. This allowed them to start early and shift advertisement earlier by 2 years. The sub-projects will begin to close out in FY36, and the overall project closeout will be in FY41. This 21-year project plan was initiated in FY20 and extends to FY41, beyond the 15-year CIP window. During each rollover period, the CIP adds the upcoming FY schedule and planned expenditures from the original project plan. This update adds FY40 into the 15-year projection window. The revised inflated TPC is \$103.56M.

13. 26764001 IRP2 Additional Line Valves (A3)

COST ONLY - Inflated TPC increased by \$8.65M

Costs are being increased to account for an updated engineer's estimate, significant coordination with water retailers to facilitate pipeline outages, increased material lead times, change in procurement strategy to award projects earlier, forecasted higher construction costs, and additional staff time. The cost increases exceed the renewed Safe, Clean Water and Natural Flood Protection Program's 15-year (FY2022-36) project allocation of \$14.5M (inflated) and will potentially be funded through Fund 61. The revised inflated TPC is \$34.09M.

14. 92144001 Pacheco/Santa Clara Conduit Right of Way Acquisition

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$94K (inflation only)

Delays to the project are due to ongoing issues in obtaining necessary environmental permits, ongoing negotiations for right-of-way offers, and construction being permitted during dry months only. The revised inflated TPC is \$6.24M.

15. 95044002 SCADA Master Plan Implementation Project (SMPIP)

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$6K (inflation only)

Progress on the Early Implementation Projects has taken longer than planned due to additional coordination efforts between the consultant and Valley Water staff. Additionally, VW's PM took a temporary promotional opportunity into Watersheds at the beginning of the fiscal year, and project efficiency suffered for some time while recruitment for and onboarding of the current temporary replacement PM took place. The revised inflated TPC is \$6.48M.

16. 95044004 SMPIP Upgrades - Phase 1

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$10K (inflation only)

This project was established to provide the resources needed to perform the SCADA communications and control center improvements recommended in the SCADA Master

Plan Implementation Project's (95044002) early implementation project planning work. As that project has been delayed, this project's schedule needs to be adjusted accordingly. The revised inflated TPC is \$10.42M.

17. 94084007 Treated Water Isolation Valves

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$4.90M

The change to the project scope reduces the number of valves to be constructed from three (3) valves to two (2) valves. Schedule delays are due to unavailable resources and adjustments to match the Long-Term Shutdown Schedule. Costs have increased due to a previous vault design downstream of the Mann Turnout needing to be moved for constructability reasons and re-designed for a new location, increased procurement cost of equipment, and fewer bidders in the market. The revised inflated TPC is \$13.37M.

WATER SUPPLY – TREATMENT FACILITIES:

18. 93234044 Penitencia Water Treatment Plant (PWTP) Residuals Management

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 3 years/Inflated TPC increased by \$53.87M

Additional scope changes have been incorporated and will be constructed: Replacing sedimentation basin telescoping valves and underflow pumps with submersible pumps, adding plate settlers in the proposed washwater clarification facility basins, increasing the size of gravity thickener tanks, adding one sludge mixing tank (for a total of two tanks), adding standby pumps for proposed major facilities and chemical systems, adding an electrical transformer and back-up generator to support the increased power demands, constructing separate buildings for electrical and chemical equipment, replacement of washwater basins and pump station, relocation of on-site solar field power interconnection to new facilities. The overall Project duration is extended due to an unexpected lengthy environmental review, additional coordinated work required to implement the changes in project scope and integration of lessons learned from the Rinconada Water Treatment Plant Residuals Remediation Project, determination of methods to integrate this project with the on-site solar field, and strategy to minimize plant outages during construction and procurement lead time for materials and equipment. Additional costs include Valley Water labor, revised engineer's estimate, and updated construction contract costs. The revised inflated TPC is \$95.36M.

19. 93084004 Water Treatment Plant Electrical Improvement

SCHEDULE and COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$1.06M (inflation only)

The project was put on hold at the end of March 2024 due to unanticipated reduced staffing resources, resulting in delays to the design, construction, and close-out phases. The revised inflated TPC is \$19.38M.

WATER SUPPLY – RECYCLED WATER FACILITIES:

20. 91294001 San Jose Purified Water Project (SJPWP) - Phase 1

SCOPE, SCHEDULE, AND COST – Overall schedule remains the same/Inflated TPC increased by \$57.49M

On February 27, 2024, the Board directed staff to place the Palo Alto Purified Water Project (PAPWP) on the CIP unfunded list due to affordability and instead add to the CIP an expedited potable reuse project with the City of San Jose to design and build a direct potable reuse (DPR) demonstration facility, which is the San Jose Purified Water Project (SJPWP) - Phase 1. The initial estimate was based on preliminary information. Adoption of the Direct Potable Reuse (DPR) regulations has also provided a clearer picture of future regulatory requirements and facility demonstration requirements that will enable the development of a full-scale purification facility.

Following the addition of the SJPWP to CIP, the project was further defined to determine size, flow and location. In addition, the Project Management Consultant (PMC) for the PAPWP transitioned from providing services for the PAPWP to the new SJPWP - Phase 1. The scope of services for the agreement has been amended to close out tasks pertaining to PAPWP, to add the scope of services for the SJPWP - Phase 1, which consists of a DPR demonstration facility and the initial planning phase of Phase 2, the full-scale DPR facility, to extend the expiration date by three years, and to incorporate administrative updates. The budget for the PMC was also transferred to the SJPWP (in the CIP), and the project design, construction costs and schedule have been updated to reflect the updated project definition. Expenditures previously not included in the SJPWP have been updated to include items such as Staff funding agreements between Valley Water and the City of San Jose, as well as the City of Santa Clara, updated Staff hours to better reflect the level of effort required for work related to CEQA, construction management, inspections, regulatory compliance monitoring, surveying, project management, and updated costs for the design and construction of the demonstration facility or Phase 1. The revised inflated TPC is \$106.46M.

21. 91094001 Land Rights - South County Recycled Water Pipeline

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$152K (inflation only)

Environmental reviews, utility verification, and right-of-way agreements are delayed due to the preparation of the CEQA initial determination memorandum and right-of-way agreements needed to verify the location of the pipeline installed by developers. The revised inflated TPC is \$6.98M.

22. 91094010 South County Recycled Water Pipeline-Short-Term Implementation Phase 2

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

The project schedule is extended to reflect delayed planning, design, and construction of the last remaining residential development in the City of Gilroy, which also impacts the completion of recycled water pipeline conveyance with our private development partners.

Residential development delays stemming from the COVID pandemic have delayed project completion. The revised inflated TPC is \$8.64M.

FLOOD PROTECTION – LOWER PENINSULA WATERSHED:

**23. 26244001 Permanente Ck, Bay to Foothill Expwy - Clean, Safe Creeks Fund
SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC remains the same**

The project schedule is extended to complete the remaining close-out tasks, including the Rancho San Antonio archeological report approval by USACE/SHPO. The inflated TPC remains at \$94.92M.

**24. 26284002 San Francisquito Creek - San Francisco Bay to Searsville Dam (E5)
SCHEDULE AND COST – Overall schedule remains the same/Inflated TPC increased by \$8.21M (inflation only)**

The project has been delayed due to design delays caused by the recalibration of the hydraulic model. It should be noted that the total renewed Safe, Clean Water Program (FY22-36) funding allocation for San Francisquito Creek is limited to \$26.033 M (inflated). Additional funding to support the project cost will potentially be funded through external funding sources. The revised inflated TPC is \$110.01M.

FLOOD PROTECTION – WEST VALLEY WATERSHED:

**25. 26074002 Sunnyvale East and West Channels
SCOPE, SCHEDULE, AND COST – Overall schedule remains the same/Inflated TPC increased by \$32.65M**

On April 9, 2024, the Valley Water Board held a formal hearing, approving changes to the SCW Program, including the decision to “Not Implement” Project A1: Pacheco Reservoir Expansion under the SCW Program. Among the reasons for not implementing the Pacheco Project was to facilitate the construction of both phases of the Sunnyvale East and West Channels project. Previously, construction of Phase 1 (West Channel) was to move forward, while the construction of Phase 2 (East Channel) was delayed due to a funding shortfall. Constructing both phases without delaying Phase 2 would allow Valley Water to complete the entire project, thus providing 1% flood protection and helping the community to be removed from the FEMA flood zone, pending a Letter of Map revision. Bundling Phase 1 and 2 construction would also result in potential cost savings, such as saving on leasing costs by utilizing the same large construction staging area for a shorter time and avoiding anticipated future construction cost escalations. As part of the Board's decision, staff developed new project estimates, reflecting the cost of constructing both phases. The project schedule has been delayed due to ongoing discussions with the various Resource Agencies to acquire the required regulatory permits. Also, the schedule update reflects the addition of Sunnyvale East (Phase 2), whereas the current project schedule only included the construction schedule for the Sunnyvale West channel. The additional costs reflect the expenditures necessary to construct the East and West channels per Board direction. The revised inflated TPC is \$90.44M.

FLOOD PROTECTION – GUADALUPE WATERSHED:

26. 30154019 Lower Guadalupe River Capacity Restoration Project SCHEDULE AND COST – Overall schedule extended by 3 years/Inflated TPC increased by \$3.43M (inflation only)

The Environmental and Design phases are currently about six months due to staffing shortages, which affected the timely procurement of the design and environmental service agreements. As a result, the start of construction has been pushed back by six months. Additionally, three years have been added to the construction phase to account for the plant establishment period. The overall total project cost remains the same. Expenditures were reallocated into FY31 through FY34 to account for the close-out and plant establishment period. The revised inflated TPC is \$110.41M.

27. 26154003 Guadalupe Rv–Upper, SPRR-Blossom Hill (R7-12) SCHEDULE AND COST – Overall schedule extended by 2 years/Inflated TPC decreased by \$39.30M

The Valley Water schedule is updated to match the updated schedule of the U.S. Army Corps of Engineers (USACE). Planned expenditures increased in FY25 due to an unforeseen need - the demolition of Valley Water-owned property. However, the overall project budget was reduced at the August 13, 2024, Board meeting when the Board approved reducing the budget and reallocating the dollars to the Safe, Clean Water Program's Operating and Capital Reserves to balance Fund 26. The Board's decision was based on the latest USACE estimates and staff analysis, which showed that most of the estimated Valley Water cost share for the project would be made through real estate acquisitions. Valley Water has already acquired 95% of the properties that will be required, and the remaining required are smaller fee title/easements. Because Valley Water has already acquired most of the USACE-identified properties, staff estimated that the reduced budget allocation would be sufficient for Valley Water to cover any remaining cost share required. The funding reallocation was required to balance Safe, Clean Water Fund 26 in the short-term and help provide sufficient funds to immediately award a construction contract and complete the final phase of the Upper Llagas Creek Project (26174055 - Llagas 2B), which has been in the works for about 70 years. If cost-share estimates change, staff will update this amount through the annual Capital Improvement Program Five-Year Plan. The revised inflated TPC is \$85.63M.

FLOOD PROTECTION – COYOTE WATERSHED:

28. 40174005 Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phase 2 SCOPE AND COST – Inflated TPC increased by \$275K

Additional scope was added due to unforeseen tasks. The City of Milpitas requested Valley Water to replace an existing asbestos pipe waterline under the U-frame channel. The waterline was replaced in summer 2022 and in winter 2022, the waterline connections separated, resulting in water leakage from the pipe. Additional staff labor was required to develop waterline repair plans and inspect and manage the contractor's construction activities. Contingency funds were also required to compensate the contractor for the final

change order related to the waterline pipe leak that developed post installation. The revised inflated TPC is \$89.96M.

29. 26324001 Upper Penitencia Creek, Coyote to Dorel Drive (NEW)

SCHEDULE AND COST – Overall schedule extended by 5 years/Inflated TPC increased by \$2.09M (inflation only)

The project is currently being put on hold under direction from management, due to the reallocation of staff resources to other projects. The project is scheduled to resume in FY30 and be completed in FY33. Currently there is no construction funding for this project following the 2023 Board decision to modify the project's funding allocation to remove construction-related planned allocations. There is no change to the total project cost, only a reallocation of expenditures to match the schedule. The revised inflated TPC is \$14.18M

FLOOD PROTECTION - UVAS/LLAGAS WATERSHED:

30. 26174054 Llagas Creek–Upper, Design

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$3.31M

The Construction schedule was adjusted to match the current Phase 2B construction (under Project No. 26174055) completion schedule for the design consultant contract associated with the project number for the subject CMM (Project No. 26174054). The project Close-out is anticipated at the end of FY27. Staff analysis of the planned expenditures has resulted in a reduction of anticipated funds required to closeout this Project. The revised inflated TPC is \$23.69M.

31. 26174055 Llagas Creek-Upper, Phase 2B Construction

SCHEDULE AND COST – Overall schedule extended by 4 years/Inflated TPC increased by \$55.92M

The project schedule is being updated to reflect a delay due to the NRCS Grant being approved in July and a delay in completing the project plans and specifications, which caused the project to miss a construction season. The civil construction started in August 2024 (FY25) and is anticipated to be completed in March 2027. In addition, there will be a three-year plant establishment period extending to March 2030. Prior year expenditures in FY24 are related to plan and specs review. Project planned expenditures have been adjusted to reflect updated construction cost, plant establishment, and close-out. The revised inflated TPC is \$145.52M.

FLOOD PROTECTION – MULTIPLE WATERSHEDS:

32. 00044026 San Francisco Bay Shoreline

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 6 years/Inflated TPC increased by \$87.40M

The United States Army Corps of Engineers (USACE) is the project administrator for planning, design, and construction of the project. Valley Water will be providing the cost share for the project, in addition to management of the Reach 4-5 pre-construction activities. The project includes design and construction of the Reaches 4-5 flood risk

management levees based on various assumptions. The UPRR closure structure and bridge design and construction costs are not included. Also not included are ecotone design and construction cost, pond breaching, and monitoring and adaptive management plan. The project schedule has been extended to account for: 1. USACE to complete Value Engineering efforts, gather additional field data, and conduct hydraulic analysis required, 2. Completion of environmental and right-of-way phases to support the design and future construction activities, 3. Completion of construction of Reaches 4-5 levees. The project planned expenditures have increased due to the inclusion of the Reach 4-5 levee construction. USACE will be providing an updated total project cost estimate for all project elements at the end of March 2025. The revised inflated TPC is \$204.72M.

**33. 26444002 San Francisco Bay Shoreline - EIAs 1-4
SCOPE, SCHEDULE, AND COST – Overall schedule reduced by 7 years/Inflated TPC decreased by \$22.98M**

The United States Army Corps of Engineers (USACE) is the project lead for the San Francisco Bay Shoreline Protection Project, Environmental Impact Areas 1-4 (Phase II). USACE concluded the study in April 2024, determining that the damages from coastal flooding are not great enough to justify the cost of a levee until sea level rise is greater in several decades. Consequently, USACE is closing the project due to a lack of federal interest. The project scope, schedule and expenditures are updated to remove the Design and Construction phases due to the USACE determination. The Planning Phase will remain open in FY25 and FY26 for close-out tasks. The revised inflated TPC is \$5.76M.

**34. 26444004 San Francisco Bay Shoreline, EIAs 5-9 (NEW)
SCHEDULE AND COST – Overall schedule extended by 2 years/Inflated TPC decreased by \$189K (inflation only)**

The United States Army Corps of Engineers (USACE) is leading the feasibility study, which also includes EIA 10. The planning expenditures and schedule were established by the USACE and will be updated if any changes occur upon HQ approval. The project does not reflect the Design schedule and expenditures as these will be identified once Planning is complete. Expenditures have been adjusted to account for the latest USACE cost estimate, and there is no change to the overall Total Project Cost (TPC). The revised inflated TPC is \$15.55M.

**35. 62084001 Watersheds Asset Rehabilitation Program (WARP)
COST ONLY – Inflated TPC increased by \$3.33M.** Since this project was reprogrammed as a Small Capital project in FY25, and Small Capital projects do not process Change Management Memos (CMMs), a CMM was not processed at the time the project plan was updated. This is because Small Capital project forecasts are revised yearly with asset rehabilitation projects added, removed, and rescheduled based on asset condition and project need. The revised inflated TPC is \$307.74M.

As referenced above, as part of last year's CIP Development Cycle for the CIP FY 2025-29 Five-Year Plan staff recommended that WARP be categorized as a Small Capital Improvement Project, as it was originally introduced into the CIP as a Small Capital project. Upon further analysis, WARP is more similar to the proposed Pipeline Maintenance Program (PMP), which is being recommended for inclusion in the CIP as an ongoing

program that will allow for the identification and planning for small-to-medium-scale pipeline rehabilitation projects. Staff is proposing a recategorization and name change for WARP to remove the “Small Capital” reference for the development of the CIP FY 2026-30 Five-Year Plan.

WATER RESOURCES STEWARDSHIP – WEST VALLEY WATERSHED:

36. 26044056 SCW Regnart Creek Rehabilitation Project (F8)

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC decreased by \$81K (inflation only)

Due to the hiring freeze in 2024, the lack of staffing has extended the project schedule by one year. It should be noted that the project exceeds the renewed Safe, Clean Water and Natural Flood Protection Program’s 15-year (FY2022-36) project funding allocation. The SCW Project key performance indicator states, “Provide up to \$7.5 million in the first 15-year period to plan, design and construct projects identified through Watersheds asset management plans.” Of the \$7.5M, at the end of FY24, the project had a remaining funding allocation of \$6.89M (inflated). The additional funding over and above \$6.9M to support the project cost will be potentially funded through Fund 12. The revised inflated TPC is \$8.89M.

WATER RESOURCES STEWARDSHIP – COYOTE WATERSHED:

37. 91864011 Coyote Percolation Dam Phase 2 (formally placeholder project 95C40400)

SCOPE, SCHEDULE, AND COST – Overall schedule reduced by 4 years/Inflated TPC decreased by \$12.23M

The project scope has been modified and will include 1) the construction of a roughened ramp “fish lane” extending up to the spillway of the deflated bladder dam to further improve upstream and downstream anadromous salmonid passage over a range of flow conditions, 2) a single radial gate replacement and reconfiguration of the downstream attractant pool area, and 3) retrofit of the existing pool and weir fish ladder to improve passage for Pacific lamprey. The scope no longer includes repair of the breach into Coyote 10B to restore flows to the Coyote Creek Channel nor reduction of potential predation to salmonid smolts in Coyote 10B. The current schedule has been revised to reflect work occurring during the construction and close-out phases only. The Construction schedule has been condensed from five years to one year, and a close-out period of one month has been added to the schedule. Activities preceding the start of construction are reflected in the Anderson Dam Seismic Retrofit Project (Project No. 91864005). The revised inflated TPC is \$7.73M.

38. 26044003 Ogier Ponds Separation from Coyote Creek (D4.2)

SCHEDULE AND COST – Overall schedule extended by 5 years/Inflated TPC increased by \$520K

The project schedule is delayed due to coordination with the Anderson Dam Seismic Retrofit Project (Project No. 91864005). The schedule may require a potential redesign (if project conditions change) following the estimated 39-month pause (from 2/1/26 to 4/30/2029) needed to coordinate with the ADSRP construction schedule. The cost increase

is due to increased effort to complete feasible alternatives evaluation and increased support to the ADSRP for environmental documents and permitting preparation. It should be noted that the total renewed Safe, Clean Water Program (FY22-36) funding allocation for Ogier Ponds is limited to \$11.881M (inflated). The additional funding to support the project cost will be potentially funded through Fund 61. The revised inflated TPC is \$6.86M.

WATER RESOURCES STEWARDSHIP – MULTIPLE WATERSHEDS:

39. 20444002 Pond A4 Resilient Habitat Restoration

SCOPE, SCHEDULE, AND COST – Overall schedule extended by 2 years/Inflated TPC increased by \$5.74M

The permit application submittal and design completion have been delayed to incorporate an approach that maximizes the beneficial reuse of SMP sediment, aiming to reduce costs for habitat bench construction. The extended permitting and design process are intended to provide maximum flexibility, minimizing the need for imported fill while maximizing the reuse of SMP material for habitat bench construction during Phase 2. Phase 1 of the project previously included just the construction of the access road and staging area. However, mitigation related to road construction is required and needs to be part of Phase 1. The schedule of Phase 1 is being updated to include the time needed to complete the portion of the habitat bench that will be the required mitigation. The revised inflated TPC is \$11.43M.

40. 26044005 SCW D4.3 Fish Passage Improvements (Moffett)

SCHEDULE AND COST – Overall schedule extended by 1 year/Inflated TPC increased by \$168K

The schedule is being extended due to Valley Water's hiring freeze and reduced workforce. The project cost exceeds the total Safe, Clean Water Program funding allocation of \$7.5M, and the additional dollars may need to come from other Valley Water funds. The Project KPI requires that Valley Water "Use of \$8 million for fish improvements by June 30, 2028." Of the \$8M funding allocation, about \$500K funding allocation was for the Singleton Bridge Crossing across Coyote Creek, leaving \$7.5M for the Moffett Fish Ladder. The revised inflated TPC is \$9.47M.

41. 40214023 Coyote 10B Freshwater Wetlands (NEW)

SCHEDULE AND COST – Overall schedule extended by 2 years/Inflated TPC increased by \$408K (inflation only)

The schedule is being extended due to the reduction in Valley Water's workforce. There is no change to the overall total project cost. However, expenditures have been reallocated to earlier years because the project now has an additional staff person dedicated to working on it. Increased costs in the Planning, Environmental, Design, and ROW Phases are offset by a decrease in the Construction Phase. The revised inflated TPC is \$9.31M.

BUILDINGS & GROUNDS:

42. 60204022 Security Upgrades & Enhancements

SCOPE, SCHEDULE, AND COST – Overall schedule reduced by 1 year/Inflated TPC decreased by \$2.19M (inflation only)

This project will be delivered in three phases: Phase 1-Fencing Replacement, Phase 2-Surveillance and Access Control Replacement, Phase 3-Surveillance System Expansion. Phase 1 will upgrade and enhance the perimeter fencing and vehicular and pedestrian gate access at five Valley Water sites. The remaining scope of the Project, which includes installing an updated security system, using modern technology capable of meeting today's security threats of theft, trespass, and vandalism, will be delivered in subsequent phases, subject to Board approvals. The revised inflated TPC is \$14.70M.

43. 60204032 Headquarters Operations Building

SCHEDULE AND COST – Overall schedule reduced by 1 year/Inflated TPC decreased by \$143K (inflation only)

The project construction is ahead of schedule and has been revised (from FY29 to FY28), with the close-out phase anticipated for June 2028. No change to the total project cost (uninflated), reallocated expenditures to match the schedule change. The revised inflated TPC is \$14.91M.

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

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

SMALL CAPITAL FORECAST REVISIONS: Inflated TPC decreased by \$30.61M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$49.11M

2. 92764009 Small Capital Improvements, Raw Water Transmission

SMALL CAPITAL FORECAST REVISIONS: Inflated TPC decreased by \$4.28M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$10.54M

3. 94764006 Small Capital Improvements, Treated Water Transmission

SMALL CAPITAL FORECAST REVISIONS: Inflated TPC decreased by \$573K

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

project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$701K.

4. 93764004 Small Capital Improvements, Water Treatment

SMALL CAPITAL FORECAST REVISIONS: Inflated TPC increased by \$23.23M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$83.88M.

5. 60204016 Small Capital Improvements, Facility Management

SMALL CAPITAL FORECAST REVISIONS: Inflated TPC increased by \$5.12M

Small Capital project forecasts are revised each year. Asset rehabilitation projects are added, removed, and rescheduled based on asset condition and project need. In addition, project costs are updated each year based on market conditions. These revisions to both schedule and costs cause several minor changes in expected expenditures over the forecasted period. The Small Capital project cost forecasts were revised during the first pass budget cycle. The revised inflated TPC is \$66.56M.

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