

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

RESOLUTION NO. 17-

**APPROVING MODIFICATIONS TO THE COYOTE CREEK FLOOD PROTECTION PROJECT
OF THE SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION PROGRAM**

WHEREAS, on July 24, 2012, the Board of Directors of the Santa Clara Valley Water District (District) adopted Resolution No. 12-62 Providing for the Continuation and Levy of a Special Tax to Pay the Cost of a Safe, Clean Water and Natural Flood Protection Program in the Combined Flood Control Zone of the Santa Clara Valley Water District Subject, Nevertheless, to Specified Limits and Conditions (Resolution No. 12-62); and

WHEREAS, the purpose of the special tax is to supplement other available but limited revenues to keep the District's flood protection system of levees, channels, drains, debris basins and other improvements in a safe and effective condition; to enable the District to respond to emergencies; to perform maintenance and repair; to acquire, restore, and preserve habitat; to provide recreation; to conduct environmental education; to protect and improve water quality; and, to construct and operate flood protection storm drainage facilities; including in each case the cost of financing such activities; and

WHEREAS, in November 2012, the District's Measure B was overwhelmingly approved by more than a two-thirds majority vote of the electorate of the District, implementing a special tax, the proceeds of which are used solely for the purpose of supporting the five funding priorities of the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program), which are as follows: Priority A: Ensure a safe, reliable water supply; Priority B: Reduce toxins, hazards, and contaminants in our waterways; Priority C: Protect our water supply from earthquakes and natural disasters; priority D: Restore wildlife habitat and provide open space; and Priority E: Provide flood protection to homes, businesses, schools, and highways; and

WHEREAS, the Safe Clean Water Program has an additional category, Other Capital Flood Protection Projects and Clean, Safe Creeks Grants Projects (Clean, Safe Creeks Plan), which includes the Coyote Creek Flood Protection Project (Coyote Creek Project); and

WHEREAS, the Clean, Safe Creeks Plan describes the primary project objective of the Coyote Creek Project as follows: "The primary project objective is to enhance the creek's conveyance to protect homes, schools, businesses, and highways from the 1% or greater flood frequency events and includes the planning, design, and partial construction. Alternative funding sources will need to be identified for the remaining construction work."; and

WHEREAS, the Clean, Safe Creeks Plan defines Key Performance Indicators (KPIs) for the Coyote Creek Project as: "Complete construction of downstream project elements"; and

WHEREAS, the Clean, Safe Creeks Plan's budget for the Coyote Creek Project was approximately \$32 million; and

WHEREAS, the District expended approximately \$10 million on a significant amount of work to develop information regarding the creek's historical ecology, hydrology, hydraulics, sediment transport, water quality, vegetation, wildlife, and fisheries; and

WHEREAS, Coyote Creek Project alternatives that were developed to address the Project objectives significantly exceeded the Project's available budget, with Project costs ranging between \$500 million to \$1 billion; and

WHEREAS, the District attempted on several occasions to secure U.S. Army Corps of Engineers (USACE) financial support for the Project, but was not successful; and

WHEREAS, potentially feasible Project alternatives to provide the 1% level of flood protection depend significantly on the outcome of various currently ongoing District projects, which can impact the flows into Coyote Creek; and

WHEREAS, due to uncertainty about the results of these other projects and their impacts to Coyote Creek Project design and associated permits acquisition, staff recommended putting the Project on hold; and

WHEREAS, on April 29, 2016, the Board approved staff's recommendation that the project's planning phase be reinitiated for a refreshed look at the project's alternatives to begin in FY2019.; and

WHEREAS, on February 21, 2017, the worst flooding in the Project reach occurred since Anderson Reservoir was constructed in 1950, and resulted in Coyote Creek overtopping its banks at several locations between Montague Expressway and Tully Road; and

WHEREAS, businesses and hundreds of homes were inundated by creek waters for many hours and Highway 101 near Watson Park, and various local streets, were closed due to flooding and thousands of residents had to be evacuated and sheltered; and

WHEREAS, the District desires to modify the Coyote Creek Project's primary Project objective to reduce the risk of flooding to homes, schools, businesses, and highways in the Coyote Creek floodplain for floods up to the level of flooding that occurred on February 21, 2017, approximately a 20 to 25 year flood event; and

WHEREAS, the District's Resolution No. 12-62 (Resolution No. 12-62) authorizes modifications to proposed projects. Paragraph J. reads as follows: "The Board of Directors may direct that proposed projects in the Safe Clean Water and Natural Flood Protection Program be modified or not implemented depending upon a number of factors, including federal and state funding limitations and the analysis and results of CEQA environmental review. The Board of Directors must hold a formal, public hearing on the matter, which will be noticed by publication and

notification to interested parties, before adoption of any such decision to modify or not implement a project.”; and

WHEREAS, at its regularly scheduled meeting conducted on May 23, 2017, the District’s Board of Directors set a time and place for a formal public hearing to occur on June 13, 2017, at which time the Board will consider Proposed Modification to the Coyote Creek Flood Protection Project of the Safe, Clean Water and Natural Flood Protection Program; and

WHEREAS, staff prepared and published an advertisement in Santa Clara County consistent with the two-week notice requirements stated in California Government Code section 6066.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District as follows:

1. Pursuant to the requirements stated in California Government Code section 6066, staff prepared and published advertisements in Santa Clara County newspapers of general circulation.
2. Pursuant to the requirements stated in the District’s Resolution No. 12-62, paragraph J., a noticed public hearing has been held.
3. Currently, and for the foreseeable future, neither federal funding nor sufficient state and local funding will be available for construction of the 1% flood protection project as described by the Clean, Safe Creeks Plan as the Coyote Creek Project’s primary objective, which alternatives have identified a cost of between \$500 million to \$1 billion.
4. To address the level of flooding that occurred on February 21, 2017, which was the worst flooding in the Project reach since Anderson Reservoir was constructed in 1950, the target level of protection will change from the 1%, or 100-year, level to protection from a flood event equivalent to the February 21, 2017 flood (approximately a 20 to 25 year event).
5. The Project reach will be extended approximately 2.9 miles upstream to Tully Road to include the Rock Springs neighborhood and incorporate the areas impacted by the February 21, 2017 flood event.
6. The Key Performance Indicator for the Coyote Creek Project, as set forth in the Clean, Safe Creeks Plan, is modified to state as follows:
 1. “Preferred project with federal, state, and local funding: Secure alternative funding sources to construct a flood protection project that provides flood risk reduction from floods up to the level of flooding that occurred on February 21, 2017, approximately a

Approving Modification to the Coyote Creek Flood Protection Project of the Safe, Clean Water and Natural Flood Protection Program

Resolution No. 17-

20 to 25 year flood event, for homes and businesses between Montague Expressway and Tully Road.

2. With local funding only: (a) Identify short-term flood relief solutions and begin implementation prior to the 2017-2018 winter season; (b) Complete the planning and design phases of the preferred project; and (c) With any remaining funds, identify and construct prioritized elements of the preferred project.”
7. The District’s Safe, Clean Water and Flood Protection Program category of Other Capital Flood Protection Projects and Clean, Safe Creeks Grants Project Coyote Creek Project is hereby modified as stated in Attachment A hereto, Modified Coyote Creek Flood Protection Project, Montague Expressway to Tully Road — San José.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on June 13, 2017:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

By: _____
JOHN L. VARELA
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors