



# Santa Clara Valley Water District

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**File No.:** 20-0102

**Agenda Date:** 1/28/2020

**Item No.:** 6.2.

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## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Authorize the Chief Executive Officer to Negotiate and Execute the Agreement with Horizon Water and Environment, LLC., for Environmental Planning and Permitting Services for the Anderson Dam Seismic Retrofit Project, Project No. 91864005, for an amount not-to-exceed \$4,500,000 (Morgan Hill) (District 1).

### **RECOMMENDATION:**

Authorize the Chief Executive Officer to negotiate and execute an Agreement with Horizon Water and Environment, LLC., for Environmental Planning and Permitting Services for the Anderson Dam Seismic Retrofit Project for an amount not-to-exceed \$4,500,000.

### **SUMMARY:**

The Anderson Dam Seismic Retrofit (ADSR) Project will correct dam seismic deficiencies and address the impacts of the operation of Anderson Reservoir on the beneficial uses of Coyote Creek, including restoration of fisheries, wildlife, water quality, and water supply. The ADSR Project will require an extensive environmental compliance process, including evaluation under the California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and several regulatory permits.

Several factors have expanded the scope of the ADSR Project compared to what was originally envisioned. The Federal Energy Regulatory Commission (FERC) has determined that operation of Anderson Reservoir will need to be addressed as part of the environmental consultation and project approval. National Marine Fisheries Service (NMFS) has determined that potential impacts related to operation of the dam after completion of the construction must also be considered. As a part of the project evolution, FERC, California Department of Water Resources Division of Safety of Dams, and the independent Board of Consultants have requested additional geotechnical investigations and analysis to design the spillway, in-reservoir stockpiles, outlet works, and embankment reconstruction to improve the overall constructability of the proposed project. Finally, because of the overlap between the ADSR Project in protecting water supply and public safety, and the Fish and Aquatic Habitat Collaborative Effort (FAHCE) in addressing the types of restoration measures necessary to avoid, minimize, and potentially mitigate impacts of continuing operations of Anderson Reservoir on Coyote Creek, Valley Water will evaluate applicable Coyote Creek FAHCE measures in the ADSR Project Environmental Impact Report (EIR).

These events have greatly expanded the scope of the project and resulted in significant changes to the project description. The existing planning consultant was not scoped for this additional work effort. Therefore, a new request for proposals was pursued for a new environmental consultant agreement based on the significant changes to the project description and environmental permitting parameters.

The new Consultant will take over the fundamental environmental review and permitting services from the existing consultant team. The Consultant will provide environmental planning and permitting services for ADSR Project by performing the following four major tasks:

- Task 1 - Project Management Services
- Task 2 - Environmental Services
- Task 3 - Regulatory Compliance
- Task 4 - Supplemental Services

The EIR will include evaluation of proposed seismic retrofit activities and operations of the reservoir. Habitat restoration and non-flow measures for Coyote Creek under FAHCE are anticipated to be evaluated programmatically in the EIR. Regulatory compliance will include permitting services to satisfy federal, state, and local natural resource agency permitting requirements for construction of the seismic retrofit project. Supplemental services will be scoped to provide, if warranted, additional CEQA, NEPA, permitting, and mitigation development services to support supplemental requests from regulatory agencies.

### ***Consultant Selection Process***

On October 22, 2019, a Request for Proposal (RFP) for Environmental Planning and Permitting Services for the ADSR Project was published on Valley Water's Contract Administration System (CAS). The RFP was sent to firms that are registered in CAS, under expertise code EV11 - Environmental Planning and Management.

Valley Water received proposals from two consultant firms, Horizon Water and Environment, LLC. (Horizon), and Environmental Science Associates. An Evaluation Committee (EC), consisting of three subject matter experts, all from Valley Water, ranked the written proposals. Both firms were invited to participate in the subsequent oral interviews. Based on the combined (written and oral) rating scores, the EC recommended that staff undertake contract negotiations with Horizon, the highest ranked firm. Horizon's team includes five subconsultants. Therefore, with the approval of the Agreement, Valley Water will have access to the varied expertise of five different project environmental planning and permitting firms.

On December 11, 2019, Valley Water staff initiated contract negotiations with Horizon Water and Environment, LLC. As of the date of posting this Agenda Item, Valley Water staff continues negotiation of the final Agreement, including scope of work and hourly rates. Staff requests that upon completion of successful negotiation, including finalized legal review, the CEO is authorized to execute the Agreement with Horizon Water and Environment, LLC., for Environmental Planning and Permitting Services for the ADSR Project, contingent on final Agreement value not exceeding

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\$4,500,000. Board approval would ensure the quickest possible authorization to proceed, facilitating delivery of environmental review on an expedited timeline.

**FINANCIAL IMPACT:**

Staff estimates a not-to-exceed fee of \$4,500,000 for the Agreement with Horizon Water and Environment, LLC., for Environmental Planning and Permitting Services for the ADSR Project. A budget adjustment will be required. Staff is planning to bring the budget adjustment to the Board in February 2020 along with the FY 2018-19 year-end closing budget adjustments, and the FY 2019-20 mid-year budget adjustments. The updated FY 2019-20 planned expenditures for the ADSR Project have been incorporated into the Preliminary FY 2021-25 Capital Improvement Program.

**CEQA:**

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

**ATTACHMENTS:**

None

**UNCLASSIFIED MANAGER:**

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