



# Santa Clara Valley Water District

**File No.:** 18-0599

**Agenda Date:** 9/11/2018

**Item No.:** 3.4.

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## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Amendment No. 1 to Grant Agreement No. A3974R, with Mid-Peninsula Regional Open Space District for the Hendrys Creek Restoration Project (Project).

### **RECOMMENDATION:**

- A. Approve Amendment No. 1 to the Grant Agreement A3974R between the Santa Clara Valley Water District and Mid-Peninsula Regional Open Space District (MROSD) to;
  - i. Extend Agreement No. A3924R by 12 months, until June 30, 2020; and
  - ii. Reallocate the project budget from Task 5 with 37 percent going to Task 2, 61.3 percent to Task 4, and 1.7 percent to Task 6; and
- B. Authorize the Chief Executive Officer to execute Amendment No. 1 to Agreement No. A3974R.

### **SUMMARY:**

On December 8, 2015, the Board awarded MROSD \$484,650 under the 2016 Safe, Clean Water Priority D3 Grant Program. The grant enabled MROSD to implement the Hendrys Creek Restoration Project, which provides construction and improvements to the Hendrys Creek property located within the Sierra Azul Open Space Preserve. The grant agreement was fully executed by the CEO on June 14, 2016 and was set to expire on June 30, 2019.

In requesting the 12-month extension, MROSD indicated that the permits required from the U.S. Army Corps, Regional Water Quality Control Board, and CA Department of Fish and Wildlife took longer than expected. Due to the delay in obtaining these permits, the earthwork construction to prepare the project site for planting revegetation was pushed from last year to this year. Since MROSD will begin planting after completion of the earthwork construction in October 2018, the current Agreement end date of June 30, 2019 will only allow for one season of planting. To maximize the chances of a successful restoration, MROSD needs two seasons; therefore, MROSD requests a twelve (12) month extension to June 30, 2020 to enable two full seasons of planting.

For the budget reallocation request, the approach originally outlined in the Agreement has changed during the design and permitting process. Under Task 5: Construction - Watering, the construction, maintenance, and removal of a water storage tank cannot be completed since vehicle access to the

project area will be restricted. Part of the earthwork construction involves de-compacting the existing roads to provide better rainfall infiltration and support new plant and seed survival. MROSD would like to request a budget modification to the project tasks by reallocating all of Task 5 budget to Tasks 2, 4, and 6.

Under Task 2: Construction - Obtain Native Plants, MROSD requests to collect additional buckeye nut and acorn seed. Additional planting will be performed on upland areas and former roads and the additional seeds will allow MROSD to replace plants that do not survive the first year.

Under Task 4: Construction - Planting and Weeding, since a water storage tank will not be constructed, MROSD will pay their subcontractor to manually water the plants. Furthermore, a portion of the fund reallocation to Task 4 will go towards the additional native plant installation.

Under Task 6: Site Maintenance and Monitoring, MROSD will increase time for maintenance and monitoring.

MROSD seeks to reallocate Task 5 budget as follows:

1. 37.0% to Task 2: Construction - Obtain Native Plants
2. 61.3% to Task 4: Construction - Planting and Weeding
3. 1.7% to Task 6: Site Maintenance and Monitoring

A summary of the proposed budget reallocation is listed in Table 1 below:

<b>Table 1.</b>	<b>Increase</b>	<b>Decrease</b>
Task 2 - Construction - Obtain Native Plants	\$ 32,000	
Task 4 - Construction - Planting and Weeding	52,900	
Task 5 - Construction - Contract Watering, Basin Weeding and Water Delivery		\$86,400
Task 6 - Site Maintenance and Monitoring	1,500	
<b>Total:</b>	<b>\$ 86,400</b>	<b>\$ 86,400</b>

Please note, Section 2. General Provisions, B. Project Execution, 4. of the Agreement stipulates:

*“Project Scope, Project Schedule and Project Budget may only be adjusted pursuant to a written amendment to this Agreement, signed by both Grantee and District in advance of such adjustment. Project Schedule adjustments that do not impact the expiration date of this Agreement and Project Budget adjustments with 10% of each task that does not impact the total amount specified may be approved by District Project Manager without a formal amendment to this Agreement.”*

Since MROSD's request to reallocate between the budget line items represents more than a 10% adjustment, the Board's review and approval is required.

## FINANCIAL IMPACT:

The funds previously allocated to this grant agreement were awarded in FY16 and have been encumbered. Amendment No.1 to Agreement A3974R does not modify the not-to-exceed amount of \$484,650. The contract agreement has a remaining fund balance of \$457,539.

**CEQA:**

The recommended action does not constitute a project under CEQA because it does not have potential for resulting in direct or reasonably foreseeable indirect physical changes in the environment. The project being funded by the recommended action has undergone CEQA review or shall undergo CEQA review prior to construction and/or implementation of projects as appropriate by the grantee organizations.

**ATTACHMENTS:**

Attachment 1: Amendment No.1

Attachment 2: Agreement A3974R

Attachment 3: MROSD Request Letter

**UNCLASSIFIED MANAGER:**

Rick Callender, 408-630-2017