



# Santa Clara Valley Water District

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**File No.:** 18-1012

**Agenda Date:** 5/14/2019

**Item No.:** 3.6.

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## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Adopt Plans and Specifications and Authorize Advertisement for Bids for the Phase 1 Construction of the Upper Llagas Creek Flood Protection Project, Project No. 26174052, Contract No. C0645 (Morgan Hill) (District 1).

### **RECOMMENDATION:**

- A. Adopt the plans and specifications and authorize advertisement for bids for Phase 1 construction of the Upper Llagas Creek Flood Protection Project, per the Notice to Bidders; and
- B. Authorize the Designated Engineer to issue addenda, as necessary, during bidding.

### **SUMMARY:**

Santa Clara Valley Water District (Valley Water) is undertaking the Upper Llagas Creek Flood Protection Project (Project) in partnership with the U.S. Army Corps of Engineers (USACE) and the City of Morgan Hill (City) to provide 1% flood protection to approximately 1,100 homes and 500 businesses along West Little Llagas Creek, East Little Llagas Creek, and Llagas Creek. The Project is approximately 13.9 miles long and encompasses the City of Morgan Hill, City of Gilroy, and various unincorporated areas of Santa Clara County, including San Martin. (Refer to Project Map, Attachment 1). The Project will be constructed in two phases and flood protection will only be realized after construction of both phases.

Llagas Creek and its tributaries are part of the Uvas/Llagas Watershed, the area of land over which rain falls and then drains off on its journey to the ocean, or into reservoirs for storage. The Uvas-Llagas Watershed is a 104-square-mile region which is distinguished by its agricultural lands and natural areas. Part of the larger Pajaro River Watershed, the creeks within this watershed are the only waterways in Santa Clara County that flow southward.

The Project consists of channel widening and deepening, instream improvements for wildlife and habitat, and revegetation. The Project's mitigation elements to offset environmental impacts associated with the construction work includes the following environmental elements:

- Riparian mitigation consisting of approximately 114 acres of native vegetation plantings;
- Creation of the Lake Silveira wetlands, approximately 5 acres;

- Creation of plant, fish, and wildlife habitat;
- Invasive plant removal (13.0± acres);
- In-stream complexities-woody debris (464 instream complexity features including divide logs, wing deflectors, rootwads and boulder clusters);
- Turtle basking sites within the created wetlands (10 turtle basking sites);
- Tree girdling (27 invasive trees girdled for bat/owl habitat);
- Bat boxes (14);
- Upland log piles (148 locations);
- Removal of legacy trash & hardscape debris (2.3± acres of remediation);
- In-fill native planting sites (11± acres).

Phase 1 construction (Reaches 4 and 7a, a portion of Reach 5, and the Lake Silveira wetlands) required approximately 43 parcels to be acquired prior to advertisement of the Project for construction. Valley Water's acquisition of the Lake Silveira property owned by County of Santa Clara is pending. Staff recommends advertisement of the Project without the County owned property having been acquired, but will not recommend the Board award the construction contract until the acquisition is complete.

Valley Water's Project team has obtained the following required regulatory permits:

- California Department of Fish and Wildlife (CDFW) 1600 Permit, dated January 11, 2017;
- Central Coast Regional Water Quality Control Board 401 Water Certification, dated July 27, 2017;
- Incidental Take Permit (ITP) from CDFW for California Tiger Salamander. Valley Water's Board of Directors approved at its September 25, 2018 hearing the execution of the ITP and Valley Water's purchase of mitigation credits from the Sparling Ranch Conservation Bank;
- U.S. Army Corps of Engineers Regulatory Branch 404 permit, dated March 26, 2019.

### ***Outreach to Bidders***

As part of Valley Water's customary small and local business outreach, the following routine steps will be taken. The Notice to Bidders (Attachment 2) will be sent to the following recipients: approximately 27 plan rooms, 20 minority businesses, Chambers of Commerce and small business groups, certified small business contractors, and local and regional firms that have the appropriate license for this type of work, and the Santa Clara and San Benito Counties Building and Construction Trades Council, which maintains contacts with at least 500 contractors and 70 union representatives, for distribution to their members.

### ***Board Adoption of Plans and Specifications and Addenda Authorization***

Board adoption of plans and specifications and Board authorization to advertise is recommended in order to proceed to bid the Project for construction. Authorizing the Designated Engineer to issue addenda during the bidding allows for modifications to the construction contract documents, if

necessary, during the bidding period and before the contract is awarded.

***Public Outreach***

Valley Water will utilize a variety of outreach strategies to keep the community informed of the Project progress and important milestones. During the Project's design phase, outreach strategies included numerous public meetings and mailed notices to collect input, a Project website (

<https://www.valleywater.org/project-updates/creek-river-projects/upper-llagas-creek-flood-protection>), Project fact sheets, and media relations.

During construction, outreach will be targeted to the surrounding neighborhoods and include pre-construction and post-construction public meetings. In addition to the outreach tactics used during the design phase, construction phase outreach will include regular email updates and construction site signage.

***Next Steps***

If the Board approves the recommendations, staff will proceed to advertise for bids for Project construction. The next Board action would be for the award of the construction contract, tentatively scheduled for consideration at their July 9, 2019 meeting. If a construction contract is awarded, it may create or sustain approximately 400 - 800 jobs in the community. The Project Delivery Process Chart (Attachment 3) highlights the current Project phase and the staff recommendations before the Board.

**FINANCIAL IMPACT:**

This Project is funded by a combination of Safe Clean Water (Fund 26) and Watershed and Stream Stewardship (Fund 12) funds. The estimated Phase 1 construction contract cost for the Project is between \$40 million and \$45 million and will take place over 3 fiscal years. There are sufficient funds in the proposed FY-20 budget to encumber \$29M for the work in the first year. Additional funds will be budgeted in future fiscal years. Funds for Phase 1 construction contract are included in the FY 2020-2024 CIP.

**CEQA:*****Certification of the EIR***

On June 10, 2014, the Board certified the Environmental Impact Report for the Upper Llagas Creek Project and adopted Resolution No. 14-67.

***Certification of the Final EIS***

USACE San Francisco Regulatory Division released the Project's Final Environmental Impact Statement (EIS) for Public Review on December 7, 2018. The Public Review period ended on January 11, 2019. The USACE San Francisco Regulatory Division issued a Record of Decision on March 26, 2019.

**ATTACHMENTS:**

Attachment 1: Map

Attachment 2: Notice to Bidders

Attachment 3: Project Delivery Process Chart

**UNCLASSIFIED MANAGER:**

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