

October 16, 2017

## NOTICE OF MEETING – REQUEST FOR RSVPS

Members of the Capital Improvement Program (CIP) Committee  
Director Nai Hsueh, *Chairperson*  
Director Tony Estremera, *Vice Chairperson*  
Director Linda LeZotte, *Committee Member*

### And Supporting Staff Members

Norma Camacho, Chief Executive Officer  
Leslie Orta, Senior Assistant District Counsel  
Melanie Richardson, Interim Chief Operating Officer - Watersheds  
Anil Comelo, Acting Chief Operating Officer – Administrative Services  
Nina Hawk, Chief Operating Officer – Water Utility  
Rick Callender, Chief of External Affairs  
Darin Taylor, Chief Financial Officer  
Katherine Oven, Deputy Operating Officer  
Vincent Gin, Deputy Operating Officer  
Ngoc Nguyen, Interim Deputy Operating Officer  
Sudhanshu Tikekar, Deputy Administrative Officer  
Christopher Hakes, Assistant Officer  
Nicole Berrocal, Budget Manager  
Beth Redmond, Capital Program Planning and Analysis Unit Manager

Attached please find an Amended Agenda for the meeting of the Santa Clara Valley Water District Capital Improvement Program Committee, which is scheduled for **2:00 p.m. on Wednesday, October 18, 2017**, in the District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

For your convenience, items appended to the agenda since its October 6, 2017, original publication date have been indicated by an asterisk (\*).

If you haven't already done so, please RSVP at your earliest convenience by calling 408-630-2659 or by email to [ndominguez@valleywater.org](mailto:ndominguez@valleywater.org).

Thank you!

*Natalie Dominguez*

Natalie Dominguez  
Board Administrative Assistant II  
Santa Clara Valley Water District  
Office of Clerk of the Board

Enclosures

**THIS PAGE INTENTIONALLY LEFT BLANK**

**CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE**

District 5 Director N. Hsueh, Chairperson  
District 6 Director T. Estremera, Vice Chairperson  
District 4 Director L. LeZotte, Committee Member



**\* AMENDED AGENDA**

**CAPITAL IMPROVEMENT PROGRAM COMMITTEE**

**Santa Clara Valley Water District Headquarters Building, Room A-124  
5700 Almaden Expressway, San Jose, CA 95118**

**WEDNESDAY, OCTOBER 18, 2017  
2:00 PM**

**Time Certain:**

**2:00 p.m.**

**1. Call to Order/Roll Call**

**2. Time Open for Public Comment on Any Item Not on the Agenda**

*Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.*

**3. Approval of Minutes:**

Recommendation: Approve the minutes of August 18 and September 18, 2017

**4. Action Items:**

- \*4.1 Alternative Funding Scenarios for the Committee’s Priority Projects (Coyote Creek- Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements). (N. Nguyen, C. Hakes)

Recommendation:

Receive information and provide feedback on next steps.

- \*4.2 FY 2017-18 Consultant Agreements and Amendments. (C. Hakes)

Recommendation:

Receive information on upcoming amendments to consultant agreements that staff will be recommending for Board approval.

**5. Review and Discuss 2017 Committee Work Plan**

**6. Clerk’s Review and Clarification of Committee Requests**

**7. Discussion of Next Committee Meeting Agenda and Schedule**

**8. Adjourn.**

REASONABLE EFFORTS TO ACCOMMODATE PERSONS WITH DISABILITIES WISHING TO ATTEND COMMITTEE MEETINGS WILL BE MADE. PLEASE ADVISE THE CLERK OF THE BOARD OFFICE OF ANY SPECIAL NEEDS BY CALLING (408) 630-2277.

Meetings of this committee will be conducted in compliance with all Brown Act requirements. All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the same time that the public records are distributed or made available to the legislative body, at the following location:

Santa Clara Valley Water District, Office of the Clerk of the Board  
5700 Almaden Expressway, San Jose, CA 95118

CIP Committee Purpose: The CIP Committee is established to provide a venue for more detailed discussions regarding capital project validation, including recommendations on prioritizing, deleting, and/or adding projects to the CIP, as well as monitoring implementation progress of key projects in the CIP.

**THIS PAGE INTENTIONALLY LEFT BLANK**

CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE MEETING

---

# MINUTES

---

**MONDAY AUGUST 14, 2017  
10:00 AM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Capital Improvement Program (CIP) Committee was held at 10:00 a.m., on August 14, 2017, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

**1. CALL TO ORDER/ROLL CALL**

Committee members in attendance were District 4 Director Linda LeZotte, District 6 Director Tony Estremera, and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance were H. Desai, R. Gibson, C. Hakes, L. Moore, N. Nguyen, L. Orta, K. Oven, B. Redmond, M. Richardson, and S. Stanton.

**2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA**

Chairperson Hsueh declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

**3. APPROVAL OF MINUTES**

The Committee considered the minutes of the July 10, 2017, meeting.

It was moved by Director Estremera, seconded by Director LeZotte, and unanimously carried that the minutes be approved as presented.

**4. ACTION ITEMS**

**4.1 STATUS OF BOARD'S KEY PROJECTS AND ISSUES RELATED TO THE FISCAL YEAR (FY) 2018-22 CAPITAL IMPROVEMENT PROGRAM (CIP).**

The attached Committee Agenda Memo was reviewed by staff as follows: Mr. Ngoc Nguyen, Interim Deputy Operating Officer, reviewed Recommendation A, as contained on Page 1, and on Attachment 1, and Recommendation F, as contained on Page 5; Ms. Melanie Richardson, Interim Chief Operating Officer, Watersheds, and Ms. Katherine Oven, Deputy Operating Officer, reviewed Recommendation B, as contained on Pages 2 and 3; Mr. Christopher Hakes, Assistant Officer, reviewed Recommendation C, as contained on Page 3; Ms. Susan Stanton, Chief Operating

Officer, Administrative Services, reviewed Recommendation D, as contained on Pages 3 and 4; and Mr. Hemang Desai, Dam Safety Program Manager, reviewed Recommendation E, as contained on Pages 4 and 5.

In regards to Recommendation B, the Committee made the following requests of staff:

- Follow up on recent Board direction to prepare a letter from Board Chairperson Varela to Santa Clara County Board of Supervisors President Cortese regarding the status of watershed-wide regulatory planning and permitting; and
- When appropriate, consider facilitating discussion between Board Chairperson Varela and Santa Clara County District 1 Supervisor Wassermann regarding Upper Llagas Creek.

#### **4.2 FY 2017-18 CONSULTANT AGREEMENTS AND AMENDMENTS.**

Mr. Hakes reviewed the information on this item, per the attached Committee Agenda Memorandum.

In regards to Recommendation C, of Item 4.1 above, as well as in regards to the CDM Smith and HDR Inc. agreements presented in Item 4.2, the Committee requested that staff be diligent in evaluating issues associated with responsibility, accountability, performance, and costs associated with construction delays.

#### **5. REVIEW AND DISCUSS 2017 COMMITTEE WORK PLAN**

Chairperson Hsueh confirmed that the 10:00 a.m. September 11, 2017 regular meeting would be rescheduled to 12:30 p.m. September 18, 2017; and requested the following items be added to the September 18, 2017, CIP agenda:

- A report on alternative funding sources for District projects; and
- Discussion on alternative features for the Board Room Audio Visual Project.

#### **6. ADJOURN**

Chairperson Hsueh adjourned the meeting at 12:10 p.m., to the 12:30 p.m., Monday September 18, 2017, meeting, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose.

Lin Moore  
Board Administrative Assistant II

Approved:



CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE MEETING

---

# MINUTES

---

MONDAY, SEPTEMBER 18, 2017  
12:30 PM

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Capital Improvement Program (CIP) Committee was held at 12:30 p.m., on September 18, 2017, in the Santa Clara Valley Water District Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

**1. Call to Order/Roll Call**

Committee members in attendance were District 4 Director Linda LeZotte, and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

District 6 Director Tony Estremera arrived as noted below.

Staff members in attendance were C. Hakes, L. Orta, K. Oven, M. Meredith, N. Nguyen, M. Richardson, D. Taylor, and S. Tikekar.

**2. Time Open for Public Comment on any Item not on the Agenda**

Chairperson Hsueh declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

**3. Approval of Minutes**

The Committee continued approval of the minutes of October 18, 2017, to the next regular meeting.

Director Estremera arrived.

**4. Action Items**

- 4.1 Alternative Funding Scenarios for the Committee's Priority Projects (Coyote Creek – Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements).

Staff reviewed the information on this item, per the attached Committee Agenda Memorandum, as follows: Mr. Ngoc Nguyen, Assistant Officer, reviewed Page 1, Summary and Page 2, Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) Implementation Funding; Mr. Darin Taylor, Chief Financial Officer, reviewed Page 2, Redevelopment Successor Agency Revenues, and Page 3,

Open Space Credit; and Mr. Nguyen and Ms. Beth Redmond, Capital Program Planning and Analysis Manager, reviewed Attachment 2.

Chairperson Hsueh and Director LeZotte requested staff ensure the nexus between environmental stewardship projects and water rights, or other water utilities, is demonstrated when project funding is proposed. Staff was directed to return to the committee with an analysis identifying the requirements for establishing a nexus between the identified stewardship projects and the Water Utility.

Directors Estremera and LeZotte agreed that the district should remain flexible about allocation of expected subventions funding, particularly if grants or other funding sources are available for flood protection projects and can replace otherwise committed subvention funds.

The Committee provided direction to staff as follows:

- Staff to prepare a clarifying statement that Water Utility Funds can be used for environmental projects where a nexus to water rights or water supply issues exist.;
- Staff to prepare an analysis that includes high, low and mid-range Open Space Credit scenarios;
- Staff to revise Attachment 2 to include additional clarifying details about all available funding and the results achieved by each scenario.
- Provide information on the expectation of receiving subventions and grants.

The Committee noted the information without formal action.

#### 4.2 Revenue Options Assessment.

Mr. William Statler, Consultant, reviewed the information on this item, per the attached Committee Agenda Memorandum; and reviewed Attachment 2, providing an analysis of potential new revenue sources, which could help fund high priority projects that are currently unfunded for both watersheds and water utility.

The Committee provided direction to staff as follows:

- Staff to take Mr. Statler's presentation to the Water Retailers Committee and receive feedback; and
- Staff to explore Developer Impact Fees further, consult with District Counsel, and place the item in the Committee Work Plan parking lot to bring a recommendation back to the Committee at a future meeting.

The Committee noted the information without formal action.

### 5. Review and Discuss 2017 Committee Work Plan

The Committee reviewed the 2017 Work Plan and made the following adjustments:



Refer the item regarding improvements to the District website for ease of public accessibility to and comprehension of flood information, including real-time data during storm events, to the Coyote Creek Flood Risk Reduction Ad Hoc Committee.

**6. Clerk's Review and Clarification of Committee Requests.**

Ms. Michelle Meredith, Deputy Clerk of the Board, confirmed there were no formal requests for Board consideration.

**7. Discussion of Next Committee Meeting Agenda and Schedule.**

The Committee rescheduled the October 9, 2017, meeting to 2:00 p.m. on Wednesday, October 18, 2017.

**8. Adjourn**

Chairperson Hsueh adjourned the meeting at 2:30 p.m., to the rescheduled regular meeting at 2:00 p.m., on Wednesday, October 18, 2017, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose.

Natalie F. Dominguez  
Board Administrative Assistant II

Approved:

Date:

**THIS PAGE INTENTIONALLY LEFT BLANK**



Committee: CIP  
Meeting Date: 10/18/17  
Agenda Item No.: 4.1  
Unclassified Manager: N. Nguyen  
Email: [nnguyen@valleywater.org](mailto:nnguyen@valleywater.org)  
[chakes@valleywater.org](mailto:chakes@valleywater.org)

## COMMITTEE AGENDA MEMO

**SUBJECT:** Alternative Funding Scenarios for the Committee's Priority Projects (Coyote Creek- Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements). (N. Nguyen, C. Hakes)

### RECOMMENDED ACTION:

A. Receive information and provide feedback on next steps

### SUMMARY:

This is a continuation of the discussion from the September 18, 2017 Committee meeting. Only the FAHCE Implementation Funding section and Attachments have been revised.

This is a continuation of the discussion from the July 10, 2017 Committee meeting (agenda item 4.1, Review and Discuss Projects and Funding in the Watershed Capital Program (Fund 12 and Fund 26) for the Fiscal Year 2018-22 CIP [continued from June 12, 2017]). At that meeting, the Committee received and discussed information indicating that the minimum reserves for Fund 12 would be met, but that there would be limited available funding for new projects or initiatives until FY-23. The Committee was also informed of a projected deficit of approximately \$20M in FY-28 for Fund 26.

The Committee directed staff to analyze alternative funding scenarios that would include various combinations of utilizing funds from Open Space Credit, the Fish and Aquatic Habitat Collaborative Effort (FAHCE), the Safe, Clean Water Program (SCW), the Redevelopment Successor Agency, and, if necessary, changes to schedules and/or scope of other watershed capital projects. Attachment 1, Alternative Financial Analysis – Starting Point for Scenarios contains charts showing alternative financial projections resulting from this analysis for the Watershed Stream Stewardship Fund 12 and the Safe Clean Water Fund 26.

At the July 10, 2017 meeting, the Committee also reviewed the list of watershed projects that do not have assured funding through construction. The Committee suggested that additional evaluations and direction from the Board would be needed to consider additional funding, if feasible, to complete construction of the following projects (not in any preferential order):

1. Coyote Creek (from Montague Expressway to Tully Road)
2. Almaden Lake Improvements
3. Ogier Pond/Creek Separation
4. Metcalf Pond/Creek Separation
5. Stevens Creek Fish Passage Barrier Improvements

As requested by the Committee, staff has developed six alternative funding scenarios for the Committee's discussion and further direction to staff. Those funding scenarios are included in Attachment 2. Each scenario has different assumptions: using a combination of funding sources, making changes to existing capital improvement projects, and assuming resolution of the pending FAHCE settlement agreement in FY-21.

### ***FAHCE Implementation Funding***

Staff has researched the ability of the Santa Clara Valley Water District (District) to utilize Water Utility Enterprise Funds to pay for Environmental Enhancement Projects that fall under the umbrella of the FAHCE Settlement Agreement. Until such time as the condition precedencies of the Agreement are completed (the District's water rights are conditioned upon completion of the FAHCE Settlement Agreement), or a nexus for benefit is otherwise established, the use of Water Utility Funds for FAHCE projects is not recommended.

Per the Section 26.3 of the District Act: "The proceeds of ground water charges levied and collected upon the production of water from ground water supplies within such zone or zones of the district are authorized and shall be used exclusively by the board for the following purposes:

1. To pay the costs of constructing, maintaining and operating facilities which will import water into the district which will benefit such zone or zones, including payments made under any contract between the district and the State of California, the United States of America, or any public, private or municipal utility.
2. To pay the costs of purchasing water for importation into such zone or zones, including payments made under contract to the State of California, the United States of America, or any public, private or municipal utility.
3. To pay the costs of constructing, maintaining and operating facilities which will conserve or distribute water within such zone or zones, including facilities for ground water re-charge, surface distribution, and the purification and treatment of such water.
4. To pay the principal or interest of any bonded indebtedness or other obligations incurred by the district on behalf of such zone or zones for any of the purposes set forth in paragraphs 1, 2 and 3 of this section.

The District may apply to any one or more of the purposes set forth in paragraphs 1, 2, 3 and 4 of this section any or all revenues received by the district from water sale contracts executed by the district pursuant to this act."

Without a clearly established nexus for benefit, the use of Water Utility funds for FAHCE projects would be subject to legal challenge and possible adverse finding, similar to the litigation that the Great Oaks Water Company filed against the District in 2009.

At the present time, an accurate timeline for conditioning of the District's water rights cannot be established due to disagreement among the FAHCE stakeholders as to the condition precedencies of the Agreement and the appropriate metrics to measure success. Compounding this issue, there appears to be additional disagreement between the Guadalupe Coyote Resource Conservation District (GCRCD) and the District, in regards to the roles of each agency within the framework of the Settlement Agreement. Staff recommends that the elected/appointed officials engage in high-level discussions regarding goal alignment, roles and responsibilities, and effective and efficient use of resources for this collaborative effort.

### ***Redevelopment Successor Agency Revenues***

In 2011 Governor Brown signed ABx1 26, mandating an end to RDAs and designation of Successor Agencies (SA) by October 1, 2011, later delayed to February 1, 2012. Most cities opted to act as the SA for their respective RDA in order to fulfill outstanding redevelopment obligations. Of the seven active SAs in SCVWD's jurisdiction (Campbell, Los Gatos, Milpitas, Morgan Hill, San Jose, Santa Clara, and Sunnyvale), all are

overseen by the parent municipality. Each agency was required upon dissolution to submit Recognized Obligation Payment Schedules (ROPS) to the state Department of Finance (DOF) at six-month intervals. ROPS are subject to approval from the SA oversight board and the county auditor-controller, and they outline payment schedules as well as termination dates of all enforceable obligations. Staff reviewed these ROPS and made minor adjustments to the 1% ad valorem tax projection, which included incorporating the impacts of the 2017 Refunding Tax Allocation bonds that the SA to the City of San Jose is planning to issue later in calendar year 2017.

In addition, each agency was required to approve and submit Long-Range Property Management Plans (LRPMP) to the DOF. The LRPMP provides a list of the assets held by the former RDA, property costs or approximate property values, and a disposition schedule. The LRPMPs for the SAs in SCVWD's jurisdiction served as a starting point for staff to estimate the current values of unsold properties. In addition, staff contacted representatives from each SA to obtain current lists of assets held as well as any updated property information. As a result, staff anticipates that the District will receive an additional \$12M of revenue during the next 10 years (\$11M for the Watershed Stream Stewardship Fund) due to real property sales, which has been included in Attachment 1 (Alternative Financial Analysis - Starting Point for Scenarios).

While the law does not specify a timetable for each SA to dispose of its real property assets, the agencies are to expeditiously liquidate excess assets if not retained by the city for government use. Staff estimates that this liquidation will occur during the next several years with the majority occurring after Fiscal Year 2020-21. The additional revenue estimate includes the impacts of sales expected to close this fiscal year. Notably, Google has been in discussions with the City of San Jose to buy a large number of parcels, many of which are located in former redevelopment zones, for the Google Village development. While the details of the deal have not yet been finalized or made public, these parcels are very conservatively valued at \$52.8 million, of which the District can expect to receive approximately \$1.5 million based on the current real property sales revenue distribution factor of 2.8% assigned by the County. This is a conservative estimate and the possibility exists that the District's distribution could be greater.

### ***Open Space Credit***

As reported at the July 10, 2017 meeting, by increasing the South County Agricultural groundwater production charge from 6% of the M&I charge to 10% of the M&I charge beginning in FY 19, the open space credit impact to the Watershed Stream Stewardship fund would be reduced by \$3M during the next 10 years. However, a study by ERA Economics conducted in 2013 indicates that .11% of currently irrigated acres would permanently fallow under a similar scenario. By increasing the South County Agricultural groundwater production charge from 6% of the M&I charge to 25% of the M&I charge beginning in FY 19, the open space credit impact to the Watershed Stream Stewardship fund would be reduced by \$14.6M during the next 10 years, but the ERA Economics study indicates that 3.5% of currently irrigated acres would permanently fallow under a similar scenario. Therefore, due to these financial projections, changes to the Open Space Credit have not been factored in to Attachment 1 (Alternative Financial Analysis – Starting Point for Scenarios).

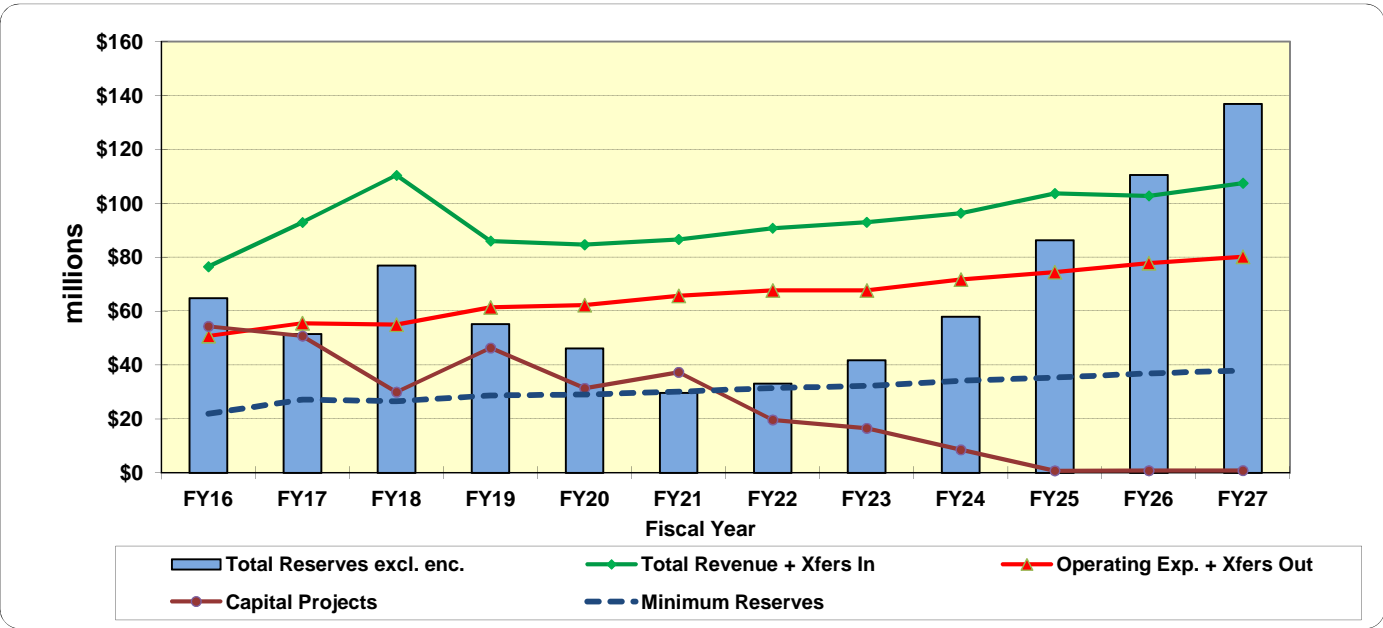
### **ATTACHMENT(S):**

- Attachment 1:           Alternative Financial Analysis – Starting Point for Scenarios
- Attachment 2:           Six Scenarios to Fund Priority Projects
- Attachment 3:           Grant Funding Information
- Attachment 4:           FY 2018-32 Planned Subventions Reimbursement Schedule

**THIS PAGE INTENTIONALLY LEFT BLANK**

## Alternative Financial Analysis - Starting Point for Scenarios

### Watershed Stream Stewardship Fund

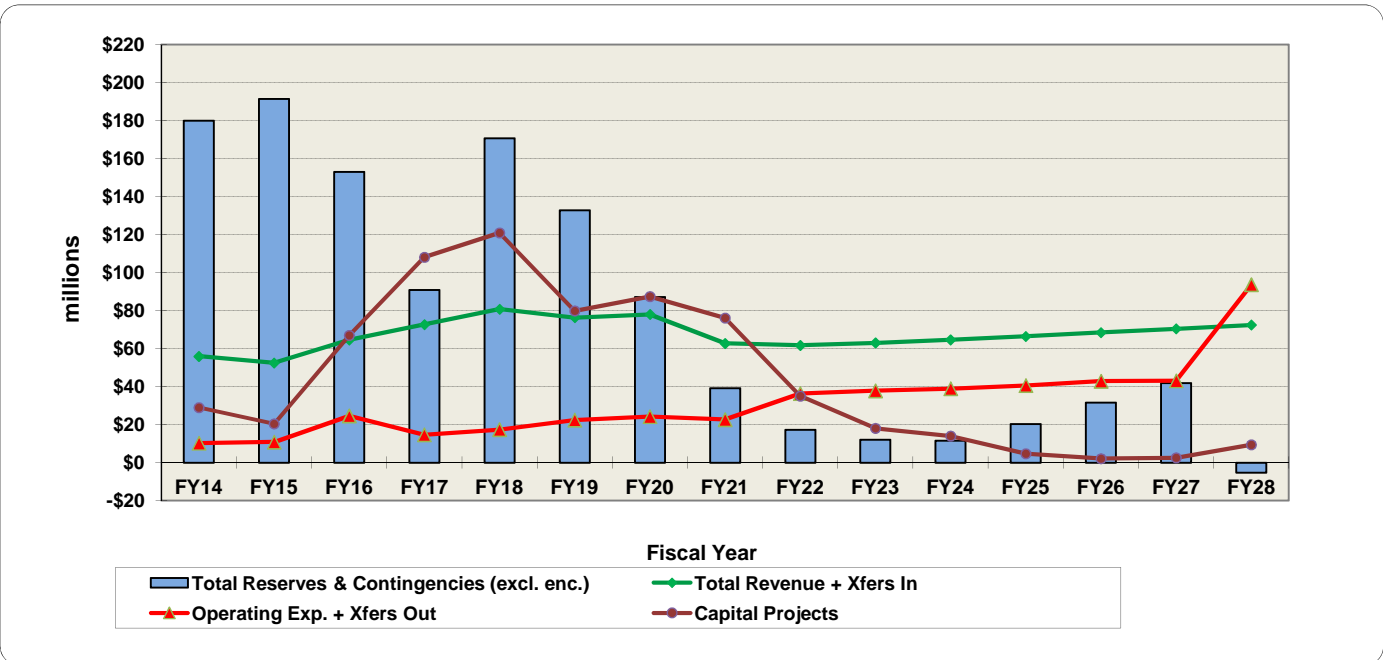


Available to spend				
FY 23	FY 24	FY 25	FY 26	FY 27
8,000	12,000	25,000	25,000	20,000

**Key Assumptions:**

- Based on FY 18 CIP
- Based on Fall 2016 constrained operations cost LTF
- Based on FY 2018 budget
- Assumes \$31.1M of open space credit transfer FY 18- FY27
- Assumes annual 1% property tax growth of 3.5% beyond FY 18
- Assumes \$200k per year in permit revenue for land development review cost recovery
- Assumes \$27M for DWR state bond & \$5.9M of state subventions for Llagas Creek and Lower Silver Creek in FY 18 & FY 19

### SCW Fund



**Key Assumptions:**

- Based on FY 18 CIP
- Based on Fall 2016 constrained operations cost long term forecast
- Based on FY 2018 budget
- Assumes 3% annual growth in special tax rate with sunset after FY 28
- Assumes \$52.3M state subventions receipts and \$6M from DWR for Berryessa Crk in FY 18 & beyond
- Assumes \$140M debt issuance in FY 18

**THIS PAGE INTENTIONALLY LEFT BLANK**



## Scenario 6: Get all Projects Shovel Ready (No WUE Funding)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr. start FY-21)														
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21													
12	40C40397	Beryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd )	26													
12		Ogier Pond/Coyote Creek Separation	26													
12		Metcalf Pond/Coyote Creek Separation	26													
12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

### Notes

- 1 Schedule information is simplified to show only the dominant activity in a given year.
- 2 Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- 3 Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- 4 Complete planning and design on all projects including using Fund 12 & 26 revenue.
- 5 Upper Penitencia Ck, Coyote Ck-Dorel Dr only Planning and Design completed, Construction funds used for Environmental projects and Coyote.
- 6 Construction schedule shown when revenue is available.
- 7 Assumes Fund 12 Revenue continues stable after FY27 (~ \$20M/yr)

## Scenario 5: \$35M Additional Grants/Cost Share (FAHCE Settlement assumed in FY-21)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)														
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21													
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26/12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79													
61/12		Ogier Pond/Coyote Creek Separation	26													
61		Metcaif Pond/Coyote Creek Separation	26													
61/12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs.
- D7 Partnership for the Conservation of Habitat Land Fund 12 dollars redirected to Watersheds Asset Rehabilitation Program (\$8M /yr).
- Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-19.
- This scenario has a \$4M shortfall in FY-25 that could be resolved in several ways.
- FAHCE Settlement in FY-21, WUE funds 50% of Ogier, 100% of Metcalf, Stevens Ck at Moffett.
- Berryessa Phase 3 construction starts in FY-26 when adequate Fund 12 revenue is available.
- This scenario requires approximately \$34M grants or cost sharing, schedule is conditional upon receiving additional funding.

## Scenario 4: Flood Control Projects Prioritized for Funding

(FAHCE Settlement assumed in FY-21)

Fund	Number	Name	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)													
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21												
12	40C40397	Beryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56												
26 /12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79												
61/12		Ogier Pond/Coyote Creek Separation	26												
61		Metcalf Pond/Coyote Creek Separation	26												
61/12		Stevens Creek Fish Passage Barriers	15												
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53												

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

### Notes

- 1 Schedule information is simplified to show only the dominant activity in a given year.
- 2 Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- 3 Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- 4 D7 Partnership for the Conservation of Habitat Land Fund 12 dollars redirected to Watersheds Asset Rehabilitation Program (\$8M /yr)
- 5 Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-19.
- 6 This scenario has a \$4M shortfall in FY-25 that could be resolved in several ways.
- 7 FAHCE Settlement in FY21, WUE funds 50% of Ogier, 100% of Metcalf, Stevens Ck at Moffett.
- 8 Ogier Pond pushed out to FY-26 start date for planning construction completed by FY-30, when adequate Fund 12 revenue is available.
- 9 Construction of Stevens Creek Fish barrier removal other than Moffett in FY-26 and FY-27 when adequate Fund 12 revenue is available.
- 10 Assumes Fund 12 Revenue continues after FY27 (~ \$10M/yr.)

## Scenario 3: Habitat Projects Prioritized for Funding (FAHCE Settlement assumed in FY-21)

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)														
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21													
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26/12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79													
61/12		Ogier Pond/Coyote Creek Separation	26													
61		Metcalf Pond/Coyote Creek Separation	26													
61/12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%

### Notes

- Schedule information is simplified to show only the dominant activity in a given year.
- Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs.
- Upper Penitencia Ck, Coyote Ck-Dorel Dr stopped in FY-19.
- FAHCE Settlement in FY21, WUE funds 50% of Ogier, 100% of Metcalf, Stevens Ck at Moffett.
- Berryessa Phase 3 construction scheduled when adequate Fund 12 revenue is available.



## Scenario 2: Safe Clean Water Priority

Fund	Number	Name	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
			<b>Total Estimated cost (\$M)</b>												
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr.)													
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21												
12	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56												
26 /12	26174043	Coyote Creek, 25 YR project Montague Expway to Tully Rd (26/53)	79												
12		Ogier Pond/Coyote Creek Separation	26												
12		Metcalf Pond/Coyote Creek Separation	26												
12		Stevens Creek Fish Passage Barriers	15												
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53												

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%
	Unfunded

**Notes**

- 1 Schedule information is simplified to show only the dominant activity in a given year.
- 2 Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- 3 Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- 4 Upper Penitencia Ck, Coyote Ck-Dorel Dr completed with USACE participation or District constructs Local Project.
- 5 Berryessa Phase 3 construction starts in FY-26 when adequate Fund 12 revenue is available.
- 6 Watersheds Asset Rehabilitation Program reduced 40-60% to insure adequate funding for Safe Clean Water Projects
- 7 Assumes Fund 12 Revenue continues stable after FY27 (~ \$20M/yr)

# Six Scenarios to Fund Priority Projects

## Scenario 1: Existing Plan

Fund	Number	Name	Total Estimated cost (\$M)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
12	62084001	Watersheds Asset Rehabilitation Program (\$8M/yr. start FY-21)														
26	26044001	Almaden Lake Improvements (D4.1a) (Const \$20M)	21													
12	40C40397	Beryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	56													
26/12	26174043	Coyote Creek, 25 YR project Montague Expy - Tully Rd (26/53)	79													
12		Ogier Pond/Coyote Creek Separation	26													
12		Metcalf Pond/Coyote Creek Separation	26													
12		Stevens Creek Fish Passage Barriers	15													
26	26324001	Upper Penitencia Ck, Coyote Ck-Dorel Dr, Corps (E4)	53													

Planning - Funded	Unfunded
Design - Funded	Unfunded
Permits - Funded	Unfunded
Construction - Funded	Funded at 40-60%

### 18

#### Notes

- 1 Schedule information is simplified to show only the dominant activity in a given year.
- 2 Based on the FY2018-22 CIP and updates provided in the Alternative Financial Analysis - Starting Point for Scenarios presented at 9/18/17 meeting.
- 3 Almaden Lake constructed with Fund 26 revenue (\$13M) from D4 and (\$7M) from D6 Creek Restoration and/or B2 TMDLs .
- 4 Continue with planning and design on all projects with only existing Fund 26 and Fund 12 revenue.
- 5 Upper Penitencia Ck, Coyote Ck-Dorel Dr completed with COE participation or District constructs Local Project.
- 6 Scenario indicates funding goes negative in FY-22.
- 7 Approximately \$30M/yr in additional revenue starting in FY-23 is needed to fund this scenario.

## Grant Funding Information

1. Known existing funding opportunities:
  - A. Most grant opportunities are limited to approximately \$3 - \$4 million per project; often they are less. One current exception is the Proposition 1 Water Storage Investment Program where the district has applied for partial funding for the Pacheco Reservoir project. Another exception is the Proposition 1E Stormwater/Flood Protection grants where the district received significant funding for the Lower Silver Creek and Berryessa Creek Projects.
  - B. All grant programs have requirements that add compliance costs (reporting, labor compliance, etc.) and sometimes necessitate changes to district policies.
  - C. Proposition 1 Integrated Regional Water Management (IRWM) grants require the project include a water supply benefit.
2. To maximize opportunities for grant funding would require the district to:
  - A. Be more proactive in working with statewide revenue bond proponents to:
    - (1) include funding for the district's high priority projects/project types
    - (2) include funding requirements that would make the district more competitive such as: separate funding for disadvantaged communities or change disadvantaged community definition to be based on local median household income and not statewide median household income, separate funding for areas with drinking water quality problems and groundwater overdraft
    - (3) strategize whether fewer but larger grant amounts would favor district priorities
    - (4) require projects to be in an Integrated Regional Water Management Plan (IRWMP)
  - B. Be more proactive in working with agencies who are disbursing grants when they are creating their application solicitation packages
    - (1) Encourage fewer, but larger funding rounds
    - (2) Defer to local priorities in the IRWMPs
    - (3) Make sure timelines line up with schedules for district projects
  - C. Have resources dedicated to tracking and applying for funding opportunities
    - (1) be strategic in figuring out how to make projects competitive for different funding opportunities
    - (2) have expertise in preparing grant funding applications
    - (3) strategic in leveraging funding sources (local, state, and federal)
    - (4) knowledge of opportunities and constraints with different District funds (Water Utility, Safe Clean Water, etc)

**THIS PAGE INTENTIONALLY LEFT BLANK**



# FY 2018-32 Planned Subventions Reimbursement Schedule

Reimbursements for Current Projects (\$K)			Planned									
Project Number	Project Name	Agency	Actuals Thru FY16	FY17	FY18	FY19	FY20	FY21	FY22	Future	Total	
26154001s	Guadalupe River--Upper, I-280 - Blossom Hill Rd.	State Subventions	13,585	7,189	4,500	5,800	7,700	2,000		0	40,774	
26174041s	Berryessa Ck, Calaveras Bvd to I-680	State Subventions	0	236	2,890	3,558				0	6,684	
40264008s	Lwr Silver Ck, I-680 to Cunningham, Rchs 4-6	State Subventions	6,264	1,258	0	865				0	8,387	
50284010	Llagas Ck--Lwr, Capacity Restoration	State Subventions	120	0	5,000					0	5,120	
26174051s	Llagas Creek--Upr, Buena Vista to Wright	State Subventions	6,089	4,984	5,773	9,180	10,858			0	36,884	
<b>State Subventions Reimbursements from Current Projects</b>			<b>26,058</b>	<b>13,667</b>	<b>18,163</b>	<b>19,403</b>	<b>18,558</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>97,849</b>	

## Current Outstanding DWR Subvention Claims

Project	as of 10/12/17
Lower Silver	468,584
Upper Guadalupe	750,750
Upper Llagas	10,320,715
<b>TOTAL</b>	<b>11,540,049</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**



Committee: CIP  
Meeting Date: 10/18/17  
Agenda Item No.: 4.2  
Unclassified Mgr: C. Hakes  
Email: chakes@valleywater.org

## COMMITTEE AGENDA MEMO

**SUBJECT:** FY 2017-18 Consultant Agreements and Amendments.

### RECOMMENDED ACTION:

Receive information on upcoming consultant agreement amendments that staff will be recommending for Board approval.

### SUMMARY:

At the March 28, 2017 meeting, the Board of Directors approved revising the CIP Committee's purpose to include monitoring implementation progress of key projects in the CIP. Consistent with this, the Committee has requested that staff provide regular updates on new consultant agreements and planned amendments to existing consultant agreements.

Staff anticipates recommending Board approval of two (2) consultant agreement amendments at the November 14, 2017 and November 28, 2017 Board meetings, respectively. A brief description of these recommended amendments is as follows:

1. Dam Safety Evaluation Services Project (Project). The Project's objective is to perform safety evaluations of Coyote, Chesbro, and Uvas Dams, including evaluation of seismic stability and outlet works, prioritization of potential dam failure modes, installation of instruments for long-term monitoring of the dams, and updating existing probable maximum flood studies. Subsequent to the damage at the Oroville Dam spillway in February 2017, Governor Brown ordered detailed evaluations of large spillway structures be conducted at all high-hazard dams before the next flood season. To comply with this order, staff recommends an amendment to the existing Agreement with URS Corp. to add supplemental services for comprehensive spillway condition assessments. The additional proposed scope and fee will include assessment of spillway foundation materials, concrete lining, and drainage systems.
2. Almaden Dam Improvements Project (Project). The original Project objective was to improve several components of the Almaden Dam and Reservoir. On May 14, 2013, the Board approved the Agreement with URS Corp., for Project planning, environmental assessment and documentation. On July 22, 2014, the Board approved Amendment No. 1 to the Agreement to add scope and fee for the Almaden Dam design phase. In 2015, the Almaden-Calero Canal improvement work was added to the original Project's objectives. On December 8, 2015, the Board approved Amendment No. 2 to the Agreement to incorporate planning phase investigations, environmental assessment and documentation, for the development of a recommended project for the Canal. The planning phase work for both Project elements will be completed in November 2017.

The purpose of Amendment No. 3 to the Agreement with URS Corp. is to add scope and fee for design of the Almaden-Calero Canal improvements; add scope and fee for design of potential fish passage as part of the Almaden Dam improvements; and add scope and fee to cover environmental assessment and documentation for these added Project components.

Staff actively monitors and manages the consultants' performance to meet the goals and terms of the agreements. Bi-monthly progress meetings and frequent technical discussions are held with the consultants to assess progress of the projects. Both consultants are on schedule to complete the predefined scope of services of their agreements within their approved not-to-exceed fee.

Staff recommends an amendment to the Dam Safety Evaluation Services Project to conduct comprehensive spillway assessments as required by the State Division of Safety of Dams and an amendment to the Almaden Dam Improvements Project to complete design improvements.

**ATTACHMENT(S):** None

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

The CIP Committee was enacted by the Board on January 24, 2012. Its purpose was initially defined by the Committee on April 17, 2012 and revised on March 10, 2017. On March 28, 2017 the Board of Directors approved the Committee's revised purpose as follows: *The CIP Committee is established to provide a venue for more detailed discussions regarding capital project validation, including recommendations on prioritizing, deleting, and/or adding projects to the CIP, as well as monitoring implementation progress of key projects in the CIP.*

The CIP Ad Hoc Committee defined its priorities in fulfilling its purpose during its March 11, 2016 meeting, as follows:

Priority	Subject	Details	Desired Outcome
1	Prioritization	<ul style="list-style-type: none"> <li>Priority criteria process</li> <li>Representation of under-represented areas</li> </ul>	Hold a daytime, single-focus, Board work study session on CIP prioritization and funding combined.
2	Funding	<ul style="list-style-type: none"> <li>Funding unfunded, high priority projects</li> <li>Holding encumbered, approved project funds in reserves and how this is communicated to the Board and public</li> </ul>	
3	Permitting	<ul style="list-style-type: none"> <li>Changing the strategy for managing permitting issues</li> <li>Changing the "Kill the Goose" regulatory agency strategy</li> <li>Informing the public of regulatory impacts on ability to perform projects</li> </ul>	Hold permitting strategy discussion with the Board, including engagement of Board members in regulatory issues.
4	Resources	<ul style="list-style-type: none"> <li>Analysis of staff vs. consultant work</li> <li>Identifying where in the staffing plan it becomes more efficient to hire and develop employees vs. executing contracts with external consultants</li> </ul>	Conduct staff vs. consultant resource cost and benefit analysis reviews with the CIP Ad Hoc Committee, prior to recommending the Board approve large dollar value consultant agreements to the Board.

The Board of Directors further identified the following Issues/Challenges, and desired Board Discussion Outcomes, during their October 4, 2016 Priorities and Strategic Directions Work/Study Session, and referred to the CIP Ad Hoc Committee to develop Strategies/Opportunities for the following:

Issue/Challenge	Board Discussion Outcomes
Regulatory Permits and individual agencies exceeding statutory authority limits.	Use Board members' political connection w/communities they represent and local/state/federal elected officials to resolve project issues, such as permits/funding. Leverage Board connections and leave the politics to the Board. Specific suggestions are: <ul style="list-style-type: none"> <li>Communication of staff (including legal) to Board on status of permits, federal funding, etc.;</li> <li>Communication with stakeholders for their support of regulatory permits/issues;</li> <li>Encourage staff to have dialogue with Board members during the planning of public meetings so all interested groups can be notified;</li> <li>Continue to meet with local/federal delegation; and</li> <li>Continue to have ceremonies for completed projects (elected officials).</li> </ul>
Projects do not have consistent criterion of sensitive design that has art form and function.	Committee should evaluate ways of addressing environmental justice and sensitive design and bring back to the Board for discussion.
Slow/No progress on fish barrier removal projects. Environmental Stewardship is a "step child," should be equal. Funding competition for Stream Stewardship funds.	Committee to discuss issue/challenge and provide recommendations to the Board.

Additionally, during the March 28, 2017 meeting, the Board requested the Committee identify and bring back information on projects they see as being potentially at-risk, or as having the potential for problems that the Board should be aware of.

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion. Subsequently, an annual committee accomplishments report is developed based on the work plan and presented to the District Board of Directors.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

### PARKING LOT ITEMS:

DATE LISTED	TOPIC (WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY)	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
9/18/17	Explore Developer Impact Fees			

### COMMITTEE WORKPLAN:

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
10/09/17 10:00 AM	Approval of Minutes, 09/11/17	M. Meredith	Approve minutes.	
10/18/17 2:00 PM	Scenarios for funding priority projects (Coyote Creek- Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements) *Continued from 01/30/17 and 7/10/17 and 9/18/17	N. Nguyen /C. Hakes	Information on the options for using existing revenue to fund priority projects that are currently partially funded.	
	Improvements to District Website, Improving Ease of Public Accessibility to, and Comprehension of, Flood Information, including Real-Time Data During Storm Events (Responding to Committee Request of 04/10/17)	M. Grimes	Receive information on to District Website, Improving Ease of Public Accessibility to, and Comprehension of, Flood Information, including Real-Time Data During Storm Events (Responding to Committee Request of 04/10/17)	9/18/17 – Improvements to District Website, Improving Ease of Public Accessibility to, and Comprehension of, Flood Information, including Real-Time Data During Storm Events (Responding to Committee Request of 04/10/17) referred to the Coyote Creek Flood Risk Reduction Ad Hoc Committee.
	FY 2017-18 Consultant Agreements and Amendments to Existing Consultant Agreements.	Staff		
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
11/13/17 10:00 AM	Approval of Minutes, 10/09/17	M. Meredith	Approve minutes.	
	Water Utility Capital Project Funding (Alternate funding mechanisms) <i>*Continued from 10/09/17</i>	C. Hakes	Study feasible alternate funding sources other than water charges  Formulate recommendation to the Board	
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
12/11/17 10:00 AM	Approval of Minutes, 11/13/17	M. Meredith	Approve minutes.	
	2019-23 Preliminary CIP	B. Redmond	Review staff proposed preliminary project lists.	
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	



# 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17



## 2017 ACCOMPLISHMENTS

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
01/30/17	Election of Chair and Vice Chair	M. Meredith	Elect Committee Officers 1. Chair 2. Vice Chair	Elected as follows: Chair – N. Hsueh Vice Chair – T. Estremera
	Approval of Minutes, 12/15/16	M. Meredith	Approved minutes.	Approved
	Water Utility Capital Project Prioritization.	C. Hakes	Review and discuss Water Utility capital Program, provide direction on project refinements or modifications to be incorporated into Draft/Final FY18-22 CIP.	<ul style="list-style-type: none"> <li>Break down EAPW Program in FY18-22 CIP so funding for EAPW Project is separated from EAPW Expansion;</li> <li>Refer to RWC for feedback on timelines for implementation of the EAPW Expansion Project</li> <li>Bring EAPW Expansion discussion back to full Board;</li> <li>Prepare scenario where Winfield Project is deferred to future and funding is shifted back to General Funds.</li> </ul>
	Review Committee Work Plan	Committee	Establish Agenda Topics for Next Meeting(s)	Schedule 2/27/17 meeting, agendaize Watershed Streams Stewardship Funding and staff presentation on Almaden Lake Separation Project, including issues raised by McMurtry/Poeschel.
	Next Meeting Date	Committee	Establish Next Meeting Date(s)	February 27, 2017



## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
02/27/17	Approval of Minutes, 01/30/17	M. Meredith	Approved minutes.	Approved as amended.
	Watershed Stream Stewardship Funding.	N. Nguyen	Review and discuss the Watershed Capital Program; and Provide direction for project refinements or modifications to be incorporated into the Final FY 2018-22 CIP.	Staff to come back with a complete list of unfunded Watershed Capital Projects, identify those waiting for planning/feasibility study to be completed vs. those that are ready to move forward but have no identified funds, and add on old projects such as the Mid-Coyote Creek and Rock Springs; and identify projects for Governor's \$1.5 billion funding.
	Alternative Analysis for Almaden Lake/Creek Separation Project	N. Nguyen	Receive information on the Almaden Lake Improvements Project water options.	
	Response to Letter from Mr. Richard McMurtry, dated January 28, 2017, and Submitted to the Committee on January 31, 2017 as Handout 2-A.	G. Hall	Receive information from staff and discuss an approach for addressing the various requests from stakeholders for fish habitat improvement projects into the CIP.	Staff is to come back with discussion to develop a process/approach for addressing requests from stakeholders, and advise Mr. Holmes of internal process and steps involved in qualifying a project for the preliminary CIP.
	Discuss Committee Purpose	Committee	TBD	Staff is to prepare a Board item regarding new purpose and name change for Board consideration.
	Review Committee Work Plan	Committee	Establish Agenda Topics for Next Meeting(s)	Schedule 03/10/17 10am meeting for discussion of Committee Work Plan
	Next Meeting Date	Committee	Establish Next Meeting Date(s)	03/10/17 10:00 a.m.
	3/10/17	Committee Work Plan	Committee	Discuss 2017 Work Plan
Next Meeting Date		Committee	Establish Next Meeting Date(s)	Established regular monthly meeting schedule, 2 <sup>nd</sup> Mondays of Month, 10am – 12pm. Rescheduled next meeting from 4/17/17 1pm to 4/10/17 10am.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
04/10/17	Approval of Minutes, 02/27/17, 03/10/17	M. Meredith	Approve minutes.	Approved.
	<p>Status of Rock Springs Flood Risk Reduction Study (2012 SCW Program) and Mid-Coyote Creek from Montague Expressway to Hwy 280 (2000 CSC Program)</p> <p><i>*Assigned at 2/28 Board meeting, Board Agenda Item 6.1</i></p>	N. Nguyen/ V. Gin	<p>Receive a status on the Rock Springs Flood Risk Study and Mid Coyote Creek Projects</p> <p>Discuss Strategies</p> <p>Formulate recommendation to the Board</p> <p><i>*Staff to provide large map showing street names, Coyote Creek, identification of various neighborhoods, and project impact areas.</i></p>	<p>Staff to prepare/publish to District website, response to questions raised by Mr. McMurtry</p> <p>Staff to improve District web site to make is easier for public to find flood info, including real time storm data</p> <p>Staff is to continue working with the City of San Jose to develop an Emergency Action Plan</p> <p>Staff is to complete Rock Springs Study and bring to full Board, a report on immediate, intermediate and long term flood protection measures for Coyote Creek, including investigation of conversion of upstream parks to detention basins</p> <p>Committee recommends Board adopt resolution setting time and place of a SCW public hearing to change control process; Hold public hearing/consider modifying Coyote Creek Flood Protection Project to extend boundary to include Rock Springs and propose KPIs to align with project revisions; and authorize Chair Hsueh and M. Richardson to provide oral report to Board.</p>
	Capital Project Consultant Agreements <i>*Assigned at 2/28 Board meeting</i>	K. Oven, A. Comelo	Identify Board issues regarding Capital Project Consultant Agreements.	Continued to 6/12/17 and staff requested to come back with information that clarifies organization decision making regarding consultants; explains development of scope of work and agreement negotiation; and explains ongoing management and administration of consultant agreements.
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	Added discussion on Owner Controlled Insurance Programs to 5/8/17 meeting.
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	5/8/17 start time changed to 9:30 a.m.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
05/08/17 9:30 a.m.	Approval of Minutes, 04/10/17	M. Meredith	Approve minutes.	Approved
	Watershed Capital Projects Funding (Flood & Stewardship) <i>*Continued from 2/27/17</i>	N. Nguyen	Analyze funding requirements for Capital Projects funded by stream Stewardship Fund (12) and SCW/CSC Fund (26)  Identify funding issues  Formulate recommendation to the Board	Committee requests: include in future Draft CIP presentations, more detailed information on how subvention funding is being allocated.  Continued to 06/12 with information on: 1) Coyote, Stevens Creek, Guad River, and others to consider identifying projects for FAHCE funding; 2) \$62 million unencumbered SCW funds and funding recommendations; 3) list of Watershed Capital Projects not funded through construction; 4) list of unfunded Watershed Capital Projects where commitments for completion have been made.
	Owner Controlled Insurance Programs (OCIP)	D. Cahen	Show cost reduction	Committee requested staff continue to identify/analyze pros & cons of OCIPs and bring discussion back when opportunities arise to consider recommendations on alternatives for specific projects.
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	Revised 06/12/17 meeting to include continued discussion of Watershed Capital Projects Funding; and revise Capital Project Consultant Agreements discussion to include a list of foreseeable amendments to existing Capital Project consultant agreements, including two amendments in progress for the Anderson and Calero Dams Seismic Retrofit Projects and a copy of the Consultant Contract Management Process Audit prepared for the District by Navigant, on March 10, 2015.
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	06/12/17 10:00 a.m.

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
06/12/17 10:00 AM	Approval of Minutes, 05/08/17	M. Meredith	Approve minutes.	Approved as revised.
	Watershed Capital Projects Funding (Flood & Stewardship) <i>*Continued from 5/8/17</i>	N. Nguyen	Provide Information on: <ul style="list-style-type: none"> <li>Coyote, Stevens Creek, Guad River, and other projects to consider identifying and making recommendations to the Board on projects for FAHCE funding;</li> <li>The \$62 million unencumbered SCW funds and funding recommendations;</li> <li>Watershed Capital Projects not funded through construction; and</li> <li>Unfunded Watershed Capital Projects where commitments for completion have been made.</li> </ul>	The Committee identified priorities; suggested Redevelopment Agency, FAHCE; Open Space Credit reduction, and SCW D4, D6, or D7 as alternate funding sources; and requested: Additionally, the Committee made the following requests of staff: 1) approach County re: estimated future RDA Successor funding; 2) come back with number of parcels to be protected by the Lower & Upper Berryessa Projects; 3) come back with proposals to reduce Open Space Credit; 4) come back with impacts of not undertaking East Little Lagas Project; 5) come back with info on activities included and schedule for \$140M estimated for FAHCE implementation; 6) investigate opportunities to complete Attachment 2, Lines 15,16 as part of Upper Penitencia Coyote to Dorel; and 7) investigate possibility of FAHCE funding for Attachment 2 Line 7. Continued to 7/10/17 meeting.
	Capital Project Consultant Agreements <i>*Continued from 4/10/17,</i>	K. Oven, A. Comelo	Analyze and discuss identified issues; Receive information requested during 4/10/17 and 5/8/17 meetings: <ul style="list-style-type: none"> <li>Clarify organization decision making regarding consultants</li> <li>Explain development of scope of work and agreement negotiation</li> <li>Explain ongoing management and administration of consultant agreements;</li> <li>Provide list of foreseeable amendments to existing Capital Project consultant agreements, including Anderson and Calero Dam Seismic Retrofit Projects; and</li> <li>Provide a copy of Consultant Contract Management Process Audit prepared by Navigant March 10, 2015.</li> </ul> Formulate recommendation to the Board	Received briefing on amendments planned for 07/11/17 Board mtg, re: Anderson and Calero Dam Seismic Retrofit Projects; requested that staff include in future Consultant Amendment Board items confirmation the amendment does not include work already scoped in original agreement, detail on why amendment is necessary, info on whether consultant or contractors carry responsibility for amendment need, and info on portions of the project scope or funding not completed in original agreement and rolled into amendment; refer the Navigant Consultant Contract Management Process Audit to the Board Audit Committee; and advise the Board of the Committee's referral of the audit.
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	No action.
Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	July 10, 2017	

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
07/10/17 10:00 AM	Approval of Minutes, 06/12/17	M. Meredith	Approve minutes.	Approved with amendment.
	Watershed Capital Projects Funding (Flood & Stewardship) <i>*Continued from 6/12/17</i>	N. Nguyen	Provide Information on: <ul style="list-style-type: none"> <li>Information on Redevelopment Agency, Open Space Credit Reduction, and SCW D4, D6, and D7 funding opportunities;</li> <li>Implications associated with not completing the East Little Llagas Project;</li> <li>Information on FAHCE funding Opportunities for the Almaden Lake Separation Project; and</li> <li>Information on FAHCE funding, geomorphic bank stability, and conservation of habitat land opportunities associated with the Upper Penitencia Creek (Coyote Confluence to Dorel Dr.) Project.</li> </ul>	<ol style="list-style-type: none"> <li>Received info on RDA, OSC &amp; FAHCE funding;</li> <li>Confirmed Coyote Creek (Montague to Tully), Almaden Lake, Ogier Pond, Metcalf Pond, and Stevens Creek Fish Barrier Improvements as priority unfunded projects for staff to seek funding alternatives for;</li> <li>Expressed support for tiered OSC reductions and requested staff come back with info on whether OSC reductions could fund projects;</li> <li>Requested staff investigate project components qualifying for FAHCE and seek FAHCE partner concurrence; and</li> <li>Continued to 9/11/17 meeting.</li> </ol> Staff also confirmed investigating whether SCW could fund projects w/mercury issues.
	Peoplesoft Upgrade Assessment Study: Findings and Recommendations	A. Tikekar	<ul style="list-style-type: none"> <li>Receive &amp; discuss info on Consultant recommendation to go out to bid for a new ERP solution; and</li> <li>Formulate recommendation re PeopleSoft Upgrade Assessment Study.</li> </ul>	Approved recommending that the Board support consultant recommendations to go out to bid for a new ERP solution.
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	<p>Removed Item 6, Coyote Creek (discussed 4/10/17) from the 8/14/17 meeting date and directed staff to:</p> <ul style="list-style-type: none"> <li>Provide update on Items 7 &amp; 8 for current FY &amp; include info requested by Dir. LeZotte during 6/12/17 mtg (Mins Pg 3);</li> <li>Present Item 9 first (Monitoring of Maint of CIP Project Mitigation Commitments);</li> <li>Add presentation on RWTP Residuals Mgmt Project; and</li> <li>Add presentation on HQ Op (Maint) Bldg.</li> </ul>
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	Authorized staff to reschedule 9/11/17 meeting to 9/18 or 9/25/17, if addl time was needed to complete analysis on Watersheds Projects Funding.



## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

MEETING DATE	WORK PLAN ITEM, BOARD POLICY, & POLICY CATEGORY	ASSIGNED STAFF	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
08/14/17 10:00 AM	Approval of Minutes, 07/10/17	M. Meredith	Approve minutes.	
	Monitor Implementation of 2018-22 CIP <i>*Expanded Committee Purpose 2/27, to be approved by the Board</i>	B. Redmond	Receive information on: <ol style="list-style-type: none"> <li>1. Monitoring of maintenance of CIP project mitigation commitments</li> <li>2. *Winfield Warehouse project</li> <li>3. HQ Operations (Maintenance) Bldg;</li> <li>4. RWTP Residuals Mgmt Project;</li> <li>5. *Watershed-wide regulatory planning and permitting</li> <li>6. *Anderson, Almaden, Chesbro, and Guadalupe Dam Seismic retrofit projects</li> <li>7. Fishery barrier removal projects</li> <li>8. FY17-18 new consultant contracts &amp; Planned amendments to existing consultant contracts, including info requested by Dir. LeZotte 6/12/17:               <ol style="list-style-type: none"> <li>a) Confirm amendment does not include work already included in original scope;</li> <li>b) Detail on why amendment is necessary; and</li> <li>c) Info on any portion of project scope or funding not completed in original agreement and now included in amendment at hand.</li> </ol> </li> </ol> <i>*From Board Budget Message and Strategic Directions</i>	
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	

## 2017 WORK PLAN – CAPITAL IMPROVEMENT PLAN COMMITTEE

Updated: 09/18/17

09/18/17 12:30 PM	Approval of Minutes, 08/14/17	M. Meredith	Approve minutes.	
	Scenarios for funding priority projects (Coyote Creek- Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements) <i>*Continued from 01/30/17 and 7/10/17</i>	N. Nguyen /C. Hakes	Information on the options for using existing revenue to fund priority projects that are currently partially funded.	
	Report on Alternative Funding Sources for District Projects. Revenue Options Assessment	D. Taylor	Information on feasible alternate funding sources for District projects other than existing tax revenue and water charges.	
	Report of Bids Received for the Board Room AV Project and discussion of alternative features.	S. Tikekar	Advice to staff on how to present the Board room AV project alternatives to the full Board.	
	Review Committee Work Plan	Committee	Confirm Agenda Topics for Next Meeting(s)	
	Next Meeting Date	Committee	Confirm/Adjust Next Meeting Date(s)	

**THIS PAGE INTENTIONALLY LEFT BLANK**