



# Santa Clara Valley Water District Capital Improvement Program Committee Meeting

Teleconference Zoom Meeting

## SPECIAL MEETING AGENDA

Wednesday, January 6, 2021  
11:00 AM

**District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.**

Nai Hsueh, Chair, District 5  
Linda J. LeZotte, Vice Chair, District 4  
Tony Estremera, District 6

All public records relating to an 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 Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Jessica Collins  
Committee Liaison

Natalie Dominguez, CMC  
Assistant Deputy Clerk II  
Office/Clerk of the Board  
(408) 265-2659  
ndominguez@valleywater.org

**Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.**

**Santa Clara Valley Water District  
Capital Improvement Program Committee**

**SPECIAL MEETING  
AGENDA**

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Wednesday, January 6, 2021

11:00 AM

Teleconference Zoom Meeting

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**IMPORTANT NOTICES**

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020 that allows attendance by members of the Committee, staff, and the public to participate and conduct the meeting by teleconference, videoconference, or both.

Members of the public wishing to address the Committee during a video conferenced meeting on an item not listed on the agenda, or any item listed on the agenda, should use the "Raise Hand" or "Chat" tools located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in the order requests are received and granted speaking access to address the Committee.

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This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

**Join Zoom Meeting:**

<https://valleywater.zoom.us/j/94945497841>

Meeting ID: 949 4549 7841

One tap mobile: +16699009128,,94945497841# US (San Jose)

Dial by your location: +1 669 900 9128 US (San Jose)

**1. CALL TO ORDER:**

1.1. Roll Call.

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

*Notice to the Public: Members of the public who wish to address the Committee on any item not listed on the agenda should access the "Raise Hand" or "Chat" tools located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.*

**3. ACTION ITEMS:**

3.1. Follow-up Review of Draft Preliminary Five-Year Capital Improvement Program Fiscal for Years 2022-2026.

[20-1200](#)

Recommendation: Review and discuss the proposed CIP Committee recommendations regarding the Draft Preliminary Five-Year Capital Improvement Program for Fiscal Years 2022-2026 and provide recommendations to staff as needed.

Manager: Heath McMahon, 408-630-3126

Attachments: [Attachment 1: Preliminary CIP](#)  
[Attachment 2: Draft Preliminary CIP Financial Models](#)

Est. Staff Time: 15 Minutes

**4. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.**

*This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.*

**5. ADJOURN:**

Adjourn to Regular Meeting at 10:00 a.m., on Monday, February 8, 2021, via Zoom teleconference.



# Santa Clara Valley Water District

File No.: 20-1200

Agenda Date: 1/6/2021  
Item No.: 3.1.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### SUBJECT:

Follow-up Review of Draft Preliminary Five-Year Capital Improvement Program Fiscal for Years 2022-2026.

#### RECOMMENDATION:

Review and discuss the proposed CIP Committee recommendations regarding the Draft Preliminary Five-Year Capital Improvement Program for Fiscal Years 2022-2026 and provide recommendations to staff as needed.

#### SUMMARY:

On December 14, 2020, the CIP Committee met to review and discuss the Draft Preliminary Capital Improvement Program (CIP) for Fiscal Years (FY) 2022-2026 (Attachment 1), which has since been updated to reflect the pending updates noted during that meeting. The direction given by the Committee at that meeting was for the Committee Chair to work off-line with staff to develop recommendations for the full CIP Committee's consideration.

#### CIP Committee's Review and Proposed Recommendations

The Committee's review focused on three key considerations:

1. The Water Supply projects in the Preliminary CIP meet the Board's strategies outlined in the Water Supply Master Plan (WSMP) (Strategy 1 - Secure Existing Supplies and Infrastructure (S1), Strategy 2 - Increase Water Conservation and Reuse (S2), Strategy 3 - Optimize the Use of Existing Supplies and Infrastructure (S3));
2. Projects in the Preliminary CIP with Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) commitments have been updated to align with Measure S commitments, as approved by voters in November 2020, and to reflect current project cost estimates; and
3. Buildings and Grounds and Information Technology projects in the Preliminary CIP meet the objectives of providing an efficient, effective and safe work environment.

#### Summary of CIP Committee Analysis and Recommendation:

In reviewing the Preliminary CIP's 10-year financial analysis, the CIP Committee identified one key issue for the Board's consideration: the updated project cost estimates for the Pacheco Reservoir

Expansion Project (WSMP - S3). While the FY22 water rates are not significantly impacted, the project cost increases would significantly impact future water rates. As the project is facing many uncertainties regarding potential funding sources and with projected water demand significantly lower now than the projection developed in 2016, the CIP Committee recommends that the Water Storage Exploratory Committee and the Board take the needed time to develop strategies for the Pacheco Reservoir Expansion Project.

### **Significant Project Plan Updates**

The Five-Year CIP is updated each year to reflect major changes to Valley Water's capital projects in the planning, design and construction phases. The significant project plan updates have been presented to the CIP Committee during the November 9, 2020 and December 14, 2020 meetings.

Since then, staff has identified two additional necessary updates to the CIP. These updates are not currently included in the FY 2022-2026 Draft Preliminary CIP or the Draft Preliminary CIP Financial Models (Attachment 2). Staff will present these necessary updates to the Board on January 12, 2021 during the Board's review and of the FY 2022-26 Preliminary CIP and seek Board direction for inclusion in the Draft CIP to be presented for Board approval in February 2021.

### **Fund 61, Water Utility Enterprise Fund**

**95084002 10-Year Pipeline Inspection and Rehabilitation Project:** Since the program was transferred to Water Utility Capital Division, the scope of individual projects has expanded to incorporate more extensive repairs, upgrades and replacements than was originally anticipated. Now that one project has been completed and another is under construction, revised estimates with more accurate cost data have been used to better estimate costs to complete the rest of the program through FY27. Increases in costs include: consultant agreements for additional electromagnetic inspections and acoustic fiber optic (AFO) installations, an additional Almaden Valley Pipeline inspection project, and phasing of the construction work for Santa Clara Conduit, Snell Pipeline and West Pipeline. Based upon updated forecasting, the TPC is increasing by approximately \$30M.

### **Fund 11, General Fund**

**60204016 Facility Management, Small Capital Improvements:** Based upon updated cost estimates for capital maintenance of buildings, grounds, and facilities on the Almaden and Winfield campus the annual planned expenditure is estimated to increase from \$3M to \$4M.

To receive the Board's feedback and direction, staff will present the Draft Five-Year Preliminary CIP and any CIP Committee recommendations to the Board for approval on January 12, 2021.

### **ATTACHMENTS:**

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**File No.:** 20-1200

**Agenda Date:** 1/6/2021  
**Item No.:** 3.1.

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Attachment 1: Draft Preliminary FY 2022-2026 CIP  
Attachment 2: Draft Preliminary CIP Financial Models

**UNCLASSIFIED MANAGER:**  
Heath McMahon, 408-630-3126

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PRELIMINARY FY22 - 26 CIP

PRELIMINARY CIP

Water Supply Projects

Revenue Sources: Groundwater Charges

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B			Project Phase (FY22)	Funded By	Zone W-2 %	Zone W-5 %	Zone W-7 %	Zone W-8 %
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value	Change from FY21						

Values last updated: 12/22/20 (All values are in thousands)

FY 2022 - 2026 CIP

Water Supply - Storage

91854001	Almaden Dam Improvements	14,426	51,582	105	66,008	(1,439)	Design	W-2	100%			
91864005	Anderson Dam Seismic Retrofit (C1)	116,598	531,953	106,935	648,551	72,306	Design	W-2/W-5/W-7/SCW	82.1%	9.8%	8.1%	0.0%
91084020s	Calero and Guadalupe Dams Seismic Retrofits	33,075	228,367	3,161	261,442	770	Plng/Des	W-2	100.0%			
91084020	Calero and Guadalupe Dams Seismic Retrofits - Planning	11,040	2,451	2,080	13,491	61	Planning	W-2	100.0%			
91874004	Calero Dam Seismic Retrofit - Design & Construct	12,194	152,245	209	164,439	(3,634)	Design	W-2	100.0%			
91894002	Guadalupe Dam Seismic Retrofit - Design & Construct	9,841	73,671	872	83,512	4,343	Design	W-2	100.0%			
91234002	Coyote Pumping Plant ASD Replacement	4,377	10,754	6,061	15,131	(361)	Planning	W-2	100.0%			
91234011	Coyote Warehouse	9,644	139	73	9,783	(7)	Const/Closeout	W-2/W-5/W-7/W-8	77.0%	17.6%	5.0%	0.4%
91084019	Dam Seismic Stability Evaluation	22,235	7,362	5,225	29,597	(854)	Planning	W-2/W-5/W-7/W-8	66.7%	32.6%	0.0%	0.7%
* 91954002	Pacheco Reservoir Expansion Project	80,149	2,439,472	31,054	2,519,621	1,174,272	Plng/Des	W-2/W-5/W-7/W-8	83.9%	10.5%	5.5%	0.1%
91214010s	Small Capital Improvements, San Felipe Reach 1-3	5,724	74,236	2,917	79,960	35,815	Continuing	W-2/W-5/W-7	82.3%	8.0%	9.7%	0.0%
<b>Subtotal:</b>		<b>286,228</b>	<b>3,343,865</b>	<b>155,531</b>	<b>3,630,093</b>	<b>1,280,502</b>						

Water Supply - Transmission

95084002	10-Year Pipeline Rehabilitation (FY18-FY27)	71,921	37,252	10,966	109,173	(2,397)	Plng/Des/Const	W-2/W-5/W-7/W-8	94.5%	4.2%	1.2%	0.1%
92304001	Almaden Valley Pipeline Replacement Project	668	89,362	828	90,030	353	Planning	W-2	100.0%			
95044001	Distribution Systems Implementation Project	2,000	5,909	3,241	7,909	(338)	Planning	W-2/W-5/W-7/W-8	83.6%	10.6%	5.7%	0.1%
92C40357	FAHCE Implementation	-	145,108	-	145,108	-	Planning	W-2/W-5/W-7	94.0%	2.7%	3.3%	0.0%
26764001	IRP2 Additional Line Valves (A3)	2,121	9,447	1,834	11,568	(370)	Design	SCW	100.0%			
26564001	Main & Madrone Pipelines Restoration (A1)	17,570	-	-	17,570	-	Closeout	W-5/W-7/SCW	0.0%	87.9%	12.1%	0.0%
92144001	Pacheco/Santa Clara Conduit Right of Way Acquisition	3,329	1,973	1,667	5,302	(107)	Design/Const	W-2/W-5/W-7	82.1%	8.1%	9.8%	0.0%
95044002	SCADA Implementation Project	1,365	5,115	2,387	6,480	(295)	Design/Const	W-2/W-5/W-7/W-8	83.6%	10.6%	5.7%	0.1%
92764009	Small Capital Improvements, Raw Water Transmission	82	11,810	169	11,892	3,293	Continuing	W-2/W-5/W-7/W-8	83.6%	10.6%	5.7%	0.1%
94764006	Small Capital Improvements, Treated Water Transmission	-	531	36	531	(145)	Continuing	W-2	100.0%			
94084007	Treated Water Isolation Valves	116	8,664	195	8,780	(365)	Design	W-2	100.0%			
92264001	Vasona Pump Station Upgrade	3,123	20,621	717	23,744	(43)	Planning	W-2	100.0%			
94084008	Westside Retailer Interties	72	-	-	72	(1,928)	Planning	W-2	100.0%			
<b>Subtotal:</b>		<b>102,367</b>	<b>335,792</b>	<b>22,040</b>	<b>438,159</b>	<b>(2,342)</b>						

\* CIP Committee acknowledges project cost increases would significantly impact future water rates and recommends that the Water Storage Exploratory Committee and the Board take the needed time to develop strategies for the Pacheco Reservoir Expansion Project.

PRELIMINARY FY22 - 26 CIP

PRELIMINARY CIP

Water Supply Projects

Revenue Sources: Groundwater Charges

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B		Project Phase (FY22)	Funded By	Zone W-2 %	Zone W-5 %	Zone W-7 %	Zone W-8 %
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expend	FY22-36 Project Value						
Values last updated: 12/22/20 (All values are in thousands)											
<b>Water Supply - Treatment</b>											
93234044	PWTP Residuals Management	683	43,572	1,987	44,255	34,512	Planning	W-2	100.0%		
93294051s	RWTP Residuals Remediation	49,850	7,883	3,764	57,733	(7,030)	Construction	W-2	100%		
93294057	RWTP Reliability Improvement	251,648	107,672	20,841	359,320	17,982	Construction	W-2	100%		
93294056	RWTP Treated Water Valves Upgrade	8,619	11	11	8,630	1	Const/Closeout	W-2	100%		
93764004	Small Capital Improvements, Water Treatment	10,285	43,992	7,503	54,277	(1,596)	Continuing	W-2	100%		
93284013	STWTP Filter Media Replacement Project	647	9,453	2,813	10,100	(355)	Planning	W-2	100%		
93084004	Water Treatment Plant Electrical Improvement Project	649	11,267	879	11,916	(73)	Planning	W-2	100%		
93044001	WTP Implementation Project	1,394	6,740	3,322	8,134	(447)	Planning	W-2	100%		
	<b>Subtotal:</b>	<b>323,775</b>	<b>230,590</b>	<b>41,120</b>	<b>554,365</b>	<b>42,994</b>					
<b>Water Supply - Recycled Water</b>											
91304001s	Expedited Purified Water Program (EPWP)	25,323	592,472	2,926	617,795	(86,518)	Planning	W-2	100%		
91094001	Land Rights - South County Recycled Water PL	204	7,041	3,679	7,245	(405)	Planning	W-5	0%	100%	0%
91094007s	South County Recycled Water Pipeline	36,447	20,288	15,393	56,735	(259)	Des/Const	W-5	0%	100%	0%
	<b>Subtotal:</b>	<b>61,974</b>	<b>619,801</b>	<b>21,998</b>	<b>681,775</b>	<b>(87,182)</b>					
	<b>Water Supply Total:</b>	<b>774,344</b>	<b>4,530,048</b>	<b>240,689</b>	<b>5,304,392</b>	<b>1,233,972</b>					

PRELIMINARY FY22 - 26 CIP

PRELIMINARY CIP

Water Supply Projects

Revenue Sources: Groundwater Charges

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B		Project Phase (FY22)	Funded By	Zone W-2 %	Zone W-5 %	Zone W-7 %	Zone W-8 %
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value						

Values last updated: 12/22/20 (All values are in thousands)

Validated - Future Unfunded Projects

92404003	Alamitos Diversion Dam Improvements	1,811	2,345	-	4,156	**	W-2	100%			
92484003	Coyote Diversion Dam Improvements	436	2,138	-	2,574	**	W-2	100%			
91C40320	Dam Seismic Retrofit at 2 Dams (Chesbro & Uvas)	-	89,500	-	89,500		W-8	0%	0%	0%	100%
93C40417	RWTP Ammonia Storage & Metering Facility Upgrade	279	5,851	-	5,851		W-2	100%			
91C40389	Long-Term Purified Water Program Elements	-	207,125	-	207,125	FY23	W-2	100%			
91C40395	So. County Recycled Water New Storage Tank	1,000	7,000	-	8,000		W-5	0%	100%	0%	0%
Validated - Unfunded Total:		3,526	313,959	-	317,206						

Legend:

- Black - Black Text: Continuing projects or projects carried forward from the FY21 CIP
- Gray - Gray Text: Individual projects considered part of a group or family of projects
- Orange - Orange Text: Projects to be completed or cancelled in FY 2021
- Green - Green Text: Projects in the Construction phase
- Blue - Blue Text: New projects proposed for the FY 22 CIP
- \* - Column A: Actuals spent through prior year + planned expenditures in current year
- Planning completed

Project Driver:

- A. Regulatory requirements
- B. Repair or replacement of aging infrastructure
- C. District commitment (SCW, FAHCE)
- D. Water Utility Master Plan "No Regrets"
- E. Board Policy

# of WS Projects

A. Regulatory requirements	5
B. Repair or replacement of aging infrastructure	18
C. District commitment (SCW, FAHCE)	2
D. Water Utility Master Plan "No Regrets"	-
E. Board Policy	7
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Funded by Legend:

- W-2 - North Zone; revenue is allocated based on % of benefit to the zone
- W-5 - South Zone; revenue is allocated based on % of benefit to the zone
- W-7 - South Zone; revenue is allocated based on % of benefit to the zone
- W-8 - South Zone; revenue is allocated based on % of benefit to the zone
- CSC - funded by revenue from Clean Safe Creeks program
- SCW - funded by revenue from Safe Clean Water program
- PT - funded by revenue from Property Tax
- Subvent - funded by State Subventions

PRELIMINARY FY22 - 26 CIP

Flood Protection Projects

Revenue Sources: COP Proceeds, CSC Special Tax, Property Tax, Subventions

PRELIMINARY CIP

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B		Project Phase (FY22)	Funded By
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value		

Values last updated: 12/22/20 (All values are in thousands)

**FY 2022 - 2026 CIP**

**Lower Peninsula Watershed**

10394001	Palo Alto Flood Basin Tide Gate Structure Improvements	3,923	35,127	3,614	39,050	6,285	Plan/Des	PT
10244001s	Permanente Creek, SF Bay to Foothill Expressway	116,039	-	-	116,039	9,149	Const/Closeout	PT/CSC
10284007s	San Francisquito Creek, SF Bay thru Searsville Dam (E5)	63,120	43,906	12,726	107,026	17,743	Des/Const	PT/CSC/SCW
Subtotal:		183,082	79,033	16,340	262,115	33,177		

**West Valley Watershed**

26074002	Sunnyvale East and West Channels	37,918	32,716	17,705	70,634	199	Design	CSC
Subtotal:		37,918	32,716	17,705	70,634	199		

**Guadalupe Watershed**

30154019	Guadalupe River Tasman Dr - I-880	2,919	92,992	2,676	95,911	(3,169)	Planning	PT
26154001s	Guadalupe River–Upper, I-280 to Blossom Hill Road (E8)	119,403	49,089	26,315	168,492	(1,923)	Des/Const	CSC/SCW
Subtotal:		122,322	142,081	28,991	264,403	(5,092)		

PRELIMINARY FY22 - 26 CIP

PRELIMINARY CIP

Flood Protection Projects

Revenue Sources: COP Proceeds, CSC Special Tax, Property Tax, Subventions

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B		Project Phase (FY22)	Funded By
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expend	FY22-36 Project Value		
Values last updated: 12/22/20 (All values are in thousands)							
<b>Coyote Watershed</b>							
26174041s	Berryessa Creek, Calaveras Boulevard to Interstate 680	54,585	-	-	54,585	4	Des/Const CSC
40174004s	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd	119,642	89,284	12,393	208,926	24,294	Des/Const PT
26174043	Coyote Creek, Montague Expressway to Tully Road	14,706	48,230	4,126	62,936	(3,394)	Plng/Des CSC
40264011	Cunningham Flood Detention Certification	11,807	31	31	11,838	(4)	Construction PT
40334005	Lower Penitencia Ck Improvements, Berryessa to Coyote Cks.	11,529	16,494	7,733	28,023	211	Des/Const PT
40264007s	Lower Silver Creek, I-680 to Cunningham (Reach 4-6)	101,671	107	52	101,778	(791)	Construction Subvent
40324003s	Upper Penitencia Creek, Coyote Creek to Dorel Drive	17,877	19,535	2,629	37,412	621	Planning PT/SCW
Subtotal:		331,817	173,681	26,964	505,498	20,941	
<b>Uvas/Llagas Watershed</b>							
50284010	Llagas Creek–Lower, Capacity Restoration, Buena Vista Road to Pajaro River	4,184	9,855	130	14,039	287	Design Subvent
26174051s	Llagas Creek–Upper, Buena Vista Avenue to Llagas Road	168,236	164,682	60,360	332,918	47,882	Construction CSC/SCW
Subtotal:		172,420	174,537	60,490	346,957	48,169	
<b>Multiple Watershed</b>							
00044026s	San Francisco Bay Shoreline (E7)	119,785	99,299	24,052	219,084	74,045	Construction PT
00044026	San Francisco Bay Shoreline	97,664	57,092	21,648	154,756	34,445	Des/Const PT
26444001	San Francisco Bay Shoreline - EIA 11 Design & Partial Construction (E7)	17,515	-	-	17,515	(1)	Des/Const PT
26444002	San Francisco Bay Shoreline - Other EIAs Planning (E7)	3,757	27,705	1,359	31,462	25,099	Planning PT
26444004	San Francisco Bay Shoreline - EIAs 5-10	-	14,502	1,045	14,502	14,502	Planning PT
62084001	Watersheds Asset Rehabilitation Program	39,362	146,429	2,379	185,791	(5,094)	Plng/Des/Const PT
Subtotal:		159,147	245,728	26,431	404,875	68,951	
Flood Protection Total:		1,006,706	847,776	176,921	1,854,482	166,345	

PRELIMINARY FY22 - 26 CIP

PRELIMINARY CIP

Flood Protection Projects

Revenue Sources: COP Proceeds, CSC Special Tax, Property Tax, Subventions

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B	Change from FY21	Project Phase (FY22)	Funded By
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd			

Values last updated: 12/22/20 (All values are in thousands)

Validated - Future Unfunded Projects

None

Validated - Unfunded Total: -

**Legend:**

- Black - Black Text: Continuing projects or projects carried forward from the FY21CIP
- Gray - Gray Text: Individual projects considered part of a group or family of projects
- Orange - Orange Text: Projects to be completed or cancelled in FY 2021
- Green - Green Text: Projects in the Construction phase
- Blue - Blue Text: New projects proposed for the FY 22 CIP
- \* - Column A: Actuals spent through prior year + planned expenditures in current year

**Project Driver:**

- A. Regulatory requirements
- B. Repair or replacement of aging infrastructure
- C. District commitment (SCW, FAHCE)
- D. Water Utility Master Plan "No Regrets"
- E. Board Policy

**# of FP Projects**

-  
5  
13  
-  
4  

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22

**Funded by Legend:**

- W-2 - North Zone; revenue is allocated based on % of benefit to the zone
- W-5 - South Zone; revenue is allocated based on % of benefit to the zone
- W-7 - South Zone; revenue is allocated based on % of benefit to the zone
- W-8 - South Zone; revenue is allocated based on % of benefit to the zone
- CSC - funded by revenue from Clean Safe Creeks program
- SCW - funded by revenue from Safe Clean Water program
- PT - funded by revenue from Property Tax
- Subvent - funded by State Subventions

PRELIMINARY FY22 - 26 CIP

Water Resources Stewardship Projects

Revenue Sources: Groundwater Charges, Property Tax, Subventions

PRELIMINARY CIP

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B		Project Phase (FY22)	Funded By	Zone W-2 %	Zone W-5 %
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value				

Values last updated: 12/22/20 (All values are in thousands)

**FY 2022 - 2026 CIP**

**Mitigation** (All Mitigation projects are required per CEQA or other Regulation and therefore do not receive a score)

62184001	SMP Mitigation, Stream and Watershed Land Preservation	16,768	-	-	16,768	(1)	Continuing	PT
<b>Subtotal:</b>		<b>16,768</b>	<b>-</b>	<b>-</b>	<b>16,768</b>	<b>(1)</b>		

**Environmental Enhancement & Stewardship**

Lower Peninsula Watershed

00294001s	Stevens Creek Fish Passage Enhancement	850	18,578	-	19,428	(107)	FY23	W-2 (90%)/PT(10%)	100%
26164001	Hale Creek Enhancement Pilot Study (D6)	5,025	3,824	3,824	8,849	(143)	Const/Closeout	CSC/SCW	

Guadalupe Watershed

26044001	Almaden Lake Improvements (D4.1a)	6,872	51,086	9,870	57,958	26,187	Design	CSC/SCW	
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Coyote Watershed

00C40400s	Watershed Habitat Enhancement Design & Construction	-	68,333	-	68,333	1,110	FY23		
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Multiple Watersheds (Lower Peninsula, Guadalupe, Coyote, Uvas/Llagas)

20444001s	Salt Ponds A5-11 Restoration	5,558	2,288	585	7,846	(4,191)	Planning	PT/SCW	
26044002	SCW Fish Passage Improvements (D4.3: Bolsa, Evelyn, Singleton)	5,327	8,347	5,945	13,674	4,904	Construction	SCW	
26C40370	SCW Implementation Fund	-	3,529	-	3,529	-	Planning	SCW	
26C40419	D6.3 Priority Project (Placeholder)	-	6,658	-	6,658	6,658	Planning	SCW	
26044003	Ogier Ponds Separation from Coyote Creek (D4.1b)	1,086	2,998	2,058	4,084	(169)	Planning	SCW	
<b>Subtotal:</b>		<b>24,718</b>	<b>165,641</b>	<b>22,282</b>	<b>190,359</b>	<b>34,249</b>			

Feasibility Studies

62044001	Watershed Habitat Enhancement Studies	4,204	-	-	4,204	596	Plan/Feasibility	PT	
<b>Subtotal:</b>		<b>4,204</b>	<b>-</b>	<b>-</b>	<b>4,204</b>	<b>596</b>			

<b>Water Resources Stewardship Total:</b>		<b>45,690</b>	<b>165,641</b>	<b>22,282</b>	<b>211,331</b>	<b>34,844</b>			
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PRELIMINARY FY22 - 26 CIP

Water Resources Stewardship Projects

PRELIMINARY CIP

Revenue Sources: Groundwater Charges, Property Tax, Subventions

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B		Project Phase (FY22)	Funded By	Zone W-2 %	Zone W-5 %	
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value					Change from FY21
Values last updated: 12/22/20 (All values are in thousands)										

Validated - Future Unfunded Projects

Stewardship

None

Validated - Unfunded Total:

NOTES:

- 1) Implementation of the Mitigation projects is considered non-discretionary since they are needed to meet California Environmental Quality Act (CEQA) or regulatory commitments. Therefore, a priority score is not required.
- 2) Environmental Enhancement projects are implemented at the discretion of the Board. Projects may go through a ranking process to compete for CSC funds or the board may direct that other available revenue be used to implement the proposed projects.

Legend:

Black - Black Text: Continuing projects or projects carried forward from the FY21 CIP

Orange - Orange Text: Projects to be completed or cancelled in FY 2021

Green - Green Text: Projects in the Construction phase

Blue - Blue Text: New projects proposed for the FY 22 CIP

\* - Column A: Actuals spent through prior year + planned expenditures in current year

Project Driver:

A. Regulatory requirements

B. Repair or replacement of aging infrastructure

C. District commitment (SCW, FAHCE)

D. Water Utility Master Plan "No Regrets"

E. Board Policy

# of WRS Projects

-

-

8

-

2

10

Funded by Legend:

W-2 - North Zone; revenue is allocated based on % of benefit to the zone

W-5 - South Zone; revenue is allocated based on % of benefit to the zone

W-7 - South Zone; revenue is allocated based on % of benefit to the zone

W-8 - South Zone; revenue is allocated based on % of benefit to the zone

CSC - funded by revenue from Clean Safe Creeks program

SCW - funded by revenue from Safe Clean Water program

PT - funded by revenue from Property Tax

Subv - funded by State Subventions



PRELIMINARY FY22 - 26 CIP

Buildings and Grounds Projects

Revenue Source: Groundwater Charges, Property Tax

PRELIMINARY CIP

FY 2022 5-Year CIP Data

Number	Project Name	A	B	A + B		Project Phase (FY22)	Funded By	WUE %	WSS %	SCW %
		Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value					

Values last updated: 12/22/20 (All values are in thousands)

**FY 2022 - 2026 CIP**

60204016	Facility Management, Small Capital Improvements	3,016	26,984	2,984	30,000	(2,063)	Continuing	PT/W-2/W-5	60%	40%	0%
60204032	Headquarters Operations Building	19	15,586	2,090	15,605	(810)	Continuing	PT/W-2/W-5	60%	40%	0%
<b>Buildings &amp; Grounds Total:</b>		<b>3,035</b>	<b>42,570</b>	<b>5,074</b>	<b>45,605</b>	<b>(2,873)</b>					

**Validated - Future Unfunded Projects**

60C40363	Fleet and Facility Annex Improvements	920	3,799	-	4,719	-		PT/W-2/W-5	60%	40%	0%
<b>Validated - Unfunded Total:</b>		<b>920</b>	<b>3,799</b>	<b>-</b>	<b>4,719</b>	<b>-</b>					

**Legend:**

- Black - Black Text: Continuing projects or projects carried forward from the FY21 CIP
- Orange - Orange Text: *Projects to be completed or cancelled in FY 2021*
- Green - Green Text: *Projects in the Construction phase*
- Blue - Blue Text: *New projects proposed for the FY 22 CIP*
- \* - Column A: Actuals spent through prior year + planned expenditures in current year

**Project Driver:**

- A. Regulatory requirements
- B. Repair or replacement of aging infrastructure
- C. District commitment (SCW, FAHCE)
- D. Water Utility Master Plan "No Regrets"
- E. Board Policy

**# of B&G Projects**

A. Regulatory requirements	0
B. Repair or replacement of aging infrastructure	1
C. District commitment (SCW, FAHCE)	0
D. Water Utility Master Plan "No Regrets"	0
E. Board Policy	1
<b>Total</b>	<b>2</b>

**Funded by Legend:**

- W-2 - North Zone; revenue is allocated based on % of benefit to the zone
- W-5 - South Zone; revenue is allocated based on % of benefit to the zone
- W-7 - South Zone; revenue is allocated based on % of benefit to the zone
- W-8 - South Zone; revenue is allocated based on % of benefit to the zone
- WUE - funded by revenue from Water Utility Enterprise Fund
- WSS - funded by revenue from Watershed and Stream Stewardship Fund
- CSC - funded by revenue from Clean Safe Creeks program
- SCW - funded by revenue from Safe Clean Water program
- PT - funded by revenue from Property Tax
- Subvent - funded by State Subventions

PRELIMINARY FY22 - 26 CIP

Information Technology Projects

Revenue Source: Groundwater Charges, Property Tax

PRELIMINARY CIP

FY 2022 5-Year CIP Data

Project Category	Number	Project Name	A	B	A + B			Project Phase (FY22)	Funded By	WUE %	WSS %	SCW %
			Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value	Change from FY21					

Values last updated: 12/22/20 (All values are in thousands)

FY 2022 - 2026 CIP

E	73274009	Data Consolidation	1,158	75	75	1,233	(2)	Construction	PT/W-2/W-5	65%	35%	0%
	73274011	E-Discovery Management System	546	-	-	546	(15)	Const/Closeout	PT/W-2/W-5	65%	35%	0%
B, E	73274001	IT Disaster Recovery	2,397	206	206	2,603	140	Construction	PT/W-2/W-5	65%	35%	0%
B	73274002	ERP System Implementation	14,910	2,528	2,280	17,438	60	Construction	PT/W-2/W-5	65%	35%	0%
B	73274012	Telephone System Voiceover IP	1,247	1	1	1,248	-	Des/Const	PT/W-2/W-5	65%	35%	0%
B	73274008	Software Upgrades & Enhancements	4,055	11,315	372	15,370	(1,701)	Des/Const	PT/W-2/W-5	65%	35%	0%
B	95274003	WTP-WQL Network Equipment	2,908	8,648	89	11,556	(507)	Construction	PT/W-2/W-5	100%	0%	0%
<b>Information Technology Total:</b>			<b>27,221</b>	<b>22,773</b>	<b>3,023</b>	<b>49,994</b>	<b>(3,268)</b>					

Validated - Future Unfunded Projects

None	-	-	-	-
<b>Validated - Unfunded Total:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Legend:

- Black - Black Text: Continuing projects or projects carried forward from the FY 21 CIP
- Orange - Orange Text: Projects to be completed or cancelled in FY 2021
- Green - Green Text: Projects in the Construction phase
- Blue - Blue Text: New projects proposed for the FY 22 CIP
- \* - Column A: Actuals spent through prior year + planned expenditures in current year

Project Driver:

- A. Regulatory requirements
- B. Repair or replacement of aging infrastructure
- C. District commitment (SCW, FAHCE)
- D. Water Utility Master Plan "No Regrets"
- E. Board Policy

# of IT Projects

- 0
- 4
- 0
- 0
- 2

6

PRELIMINARY FY22 - 26 CIP

Information Technology Projects

Revenue Source: Groundwater Charges, Property Tax

PRELIMINARY CIP

FY 2022 5-Year CIP Data

Project Category	Number	Project Name	A	B	A + B			Project Phase (FY22)	Funded By	WUE %	WSS %	SCW %
			Actual/ Appropriated thru FY21*	Remaining Cost to Completion	FY22 Plnd Expnd	FY22-36 Project Value	Change from FY21					
Values last updated: 12/22/20 (All values are in thousands)												

**Funded by Legend:**

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- W-7 - South Zone; revenue is allocated based on % of benefit to the zone
- W-8 - South Zone; revenue is allocated based on % of benefit to the zone
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- PT - funded by revenue from Property Tax
- Subvent - funded by State Subventions

**CIP GRAND TOTAL:**      1,856,996    5,608,808    447,989    7,465,804    1,429,020

**PROJECT DRIVER TOTALS:**      A      B      C      D      E

5      28      23      -      16

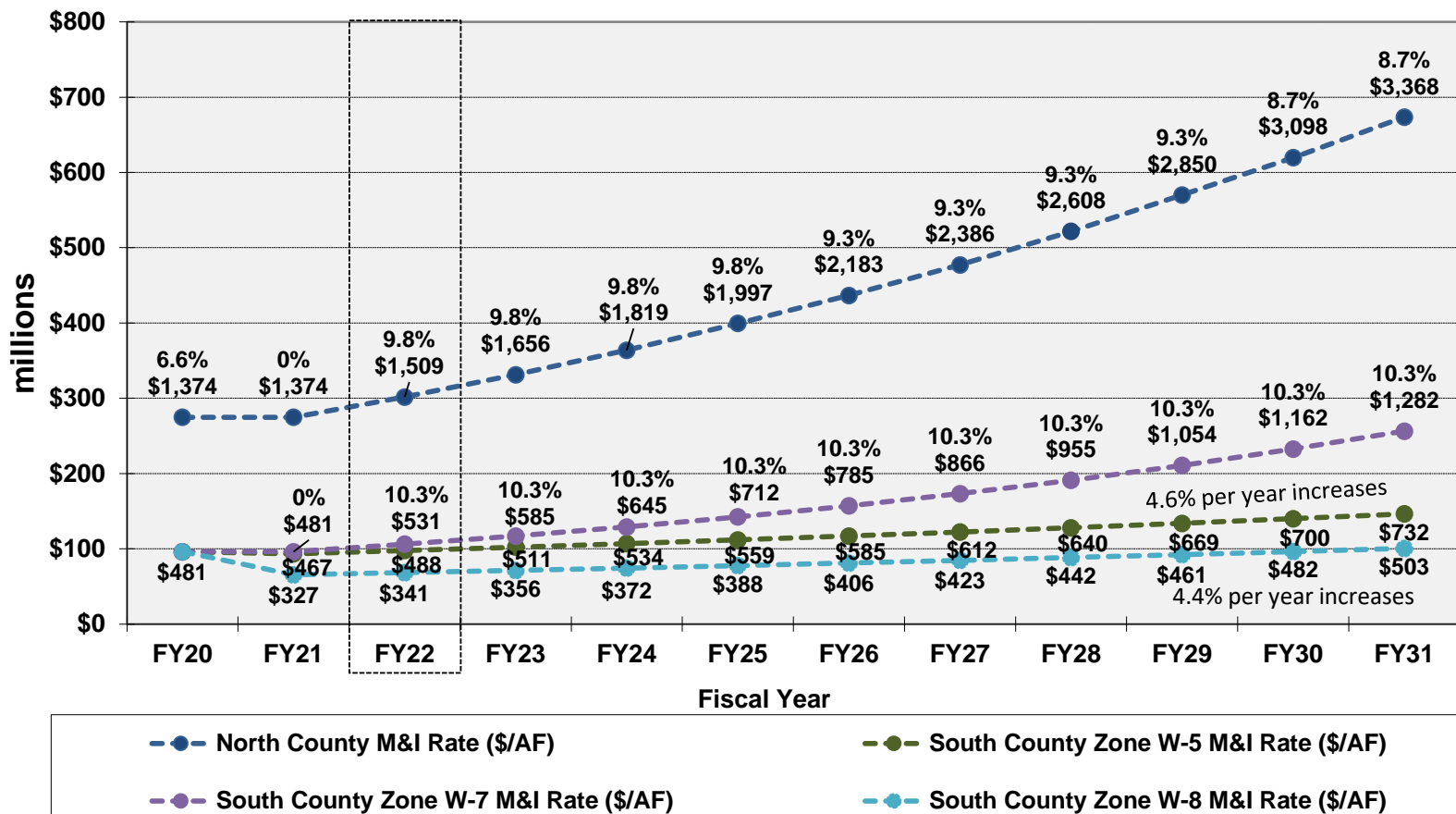
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# Water Utility Enterprise Fund

Very Preliminary Baseline Forecast reflects 9.8% per year increases in North County for FY 22 to FY 25, reducing to 9.3% in FY 26 to FY 29

1

## Projection

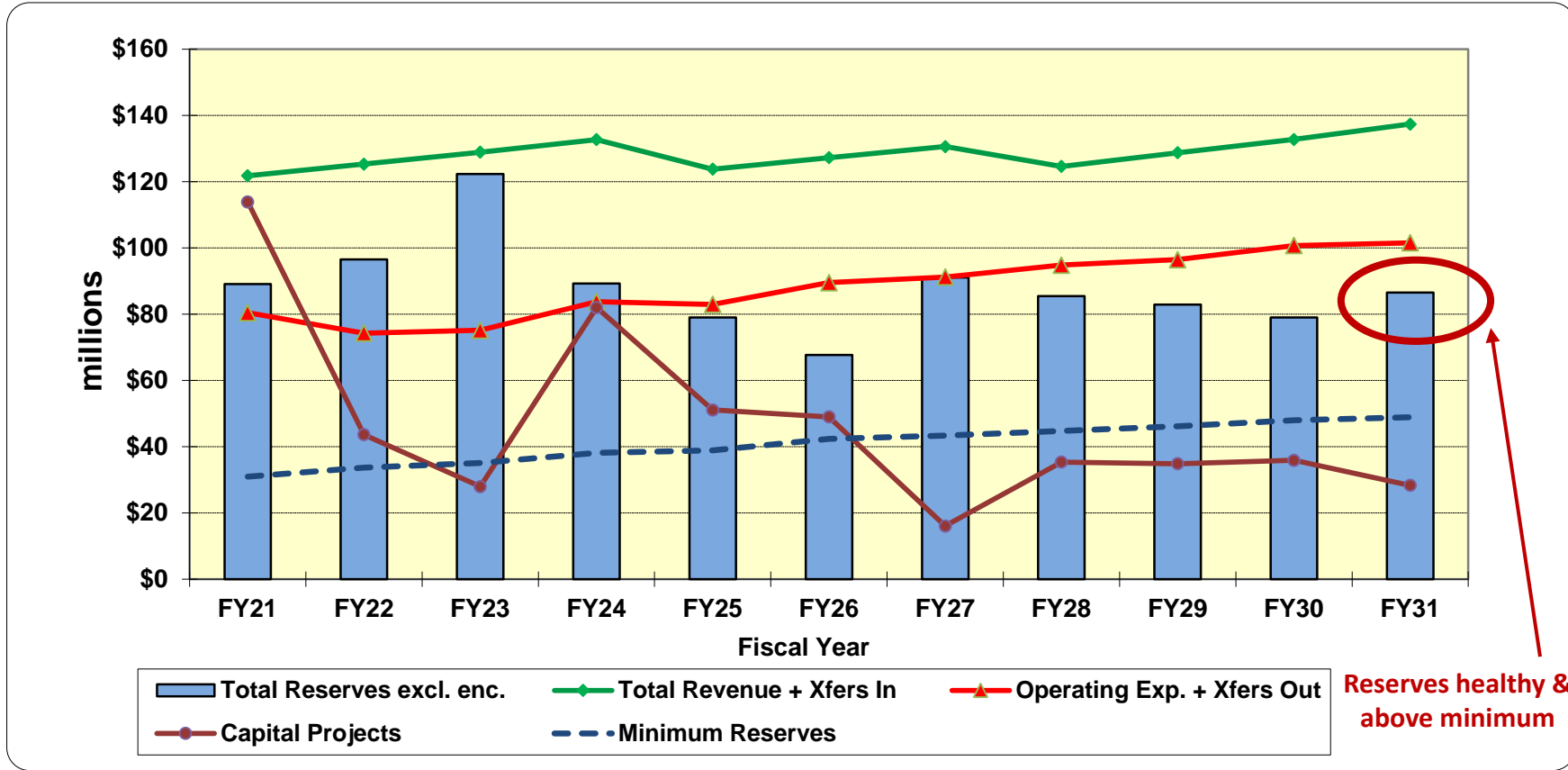


- Includes:
  - Pacheco Reservoir
  - DCP at 3.23%
  - Purified Water Expansion via P3
  - Transfer Bethany Pipeline
  - Master Plan Project Placeholder (\$346M from FY 22 to FY 31)

# Watershed and Stream Stewardship Fund

Reserves are above minimum levels for 10-year forecast

## Projection



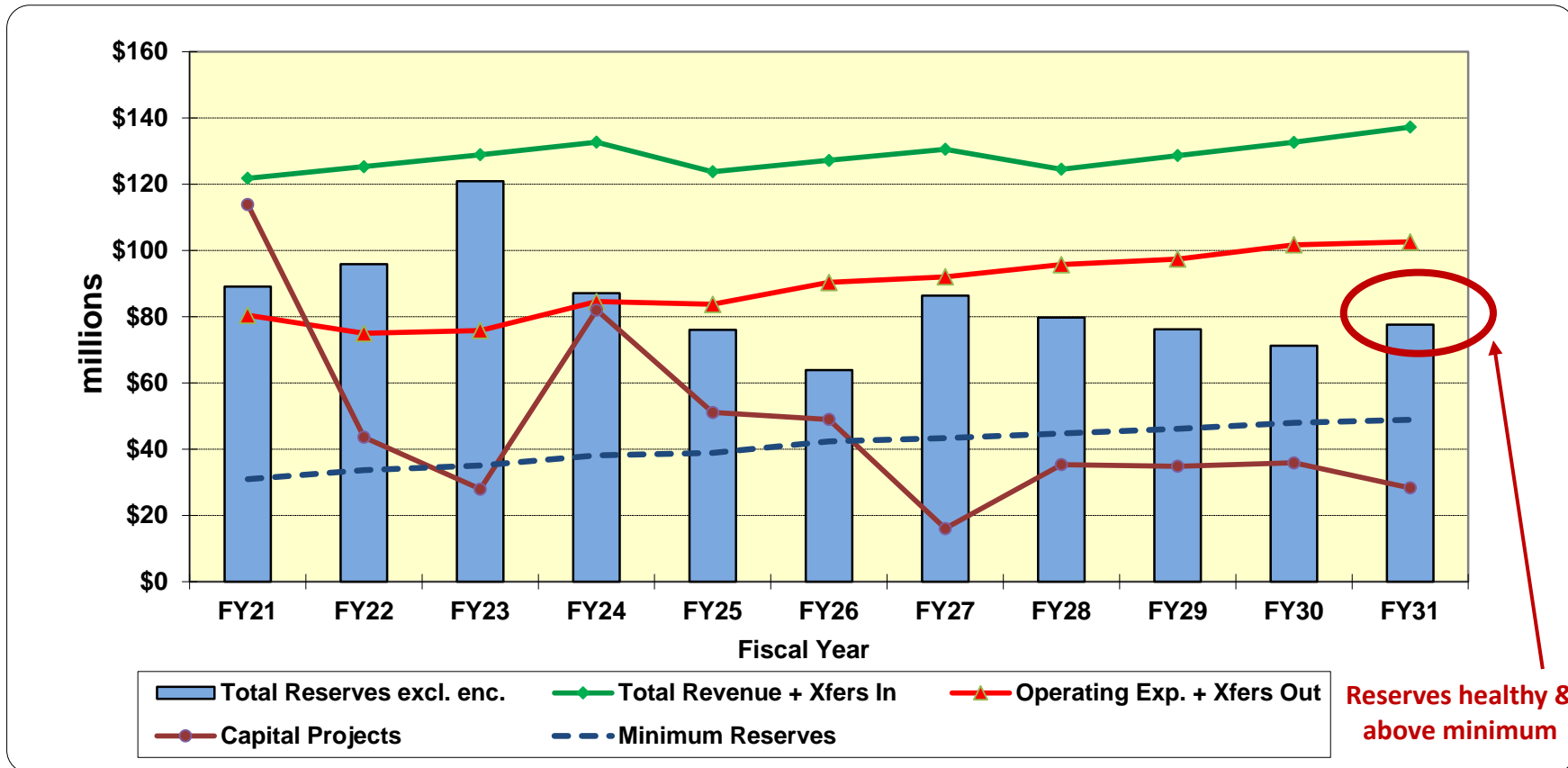
### Key Assumptions

- Open Space Credit Xfer
  - \$15.0M for FY 22 to FY 31
  - Assumes Ag Charge at 25% of Zone W-8 M&I Charge (or \$85.35/AF in FY 22 versus \$28.86/AF in FY 21)
- O&M Maintenance placeholder
  - \$2M/yr FY22 to FY 25
  - \$7M/yr FY 26 to FY 31

# Watershed and Stream Stewardship Fund Continued...

Reserves are above minimum levels but ~\$8.5M lower in FY 31 if Ag Charge set at 10% vs 25% of M&I for next 10 years

## Projection



### Key Assumptions

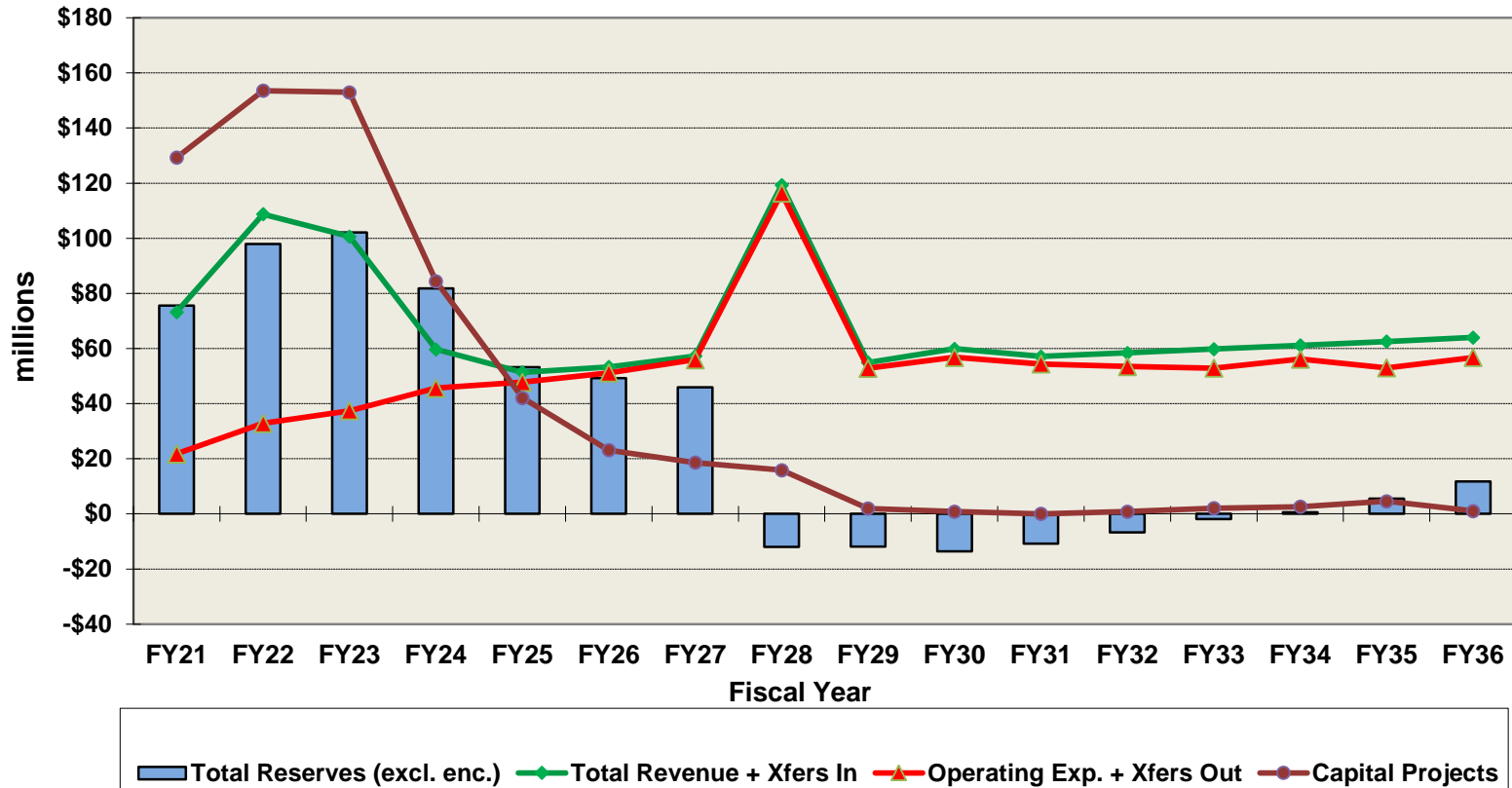
- Open Space Credit Xfer
  - \$23.4M for FY 22 to FY 31
  - Assumes Ag Charge at 10% of Zone W-8 M&I Charge (or \$34.14/AF in FY 22 versus \$28.86/AF in FY 21)
- O&M Maintenance placeholder
  - \$2M/yr FY22 to FY 25
  - \$7M/yr FY 26 to FY 31

# Safe, Clean Water Fund

Reserve Balance at end of First 15 Years is \$78M less than Measure S Plan

4

## Projection



### Key Assumptions

- Assumes \$80M NRCS Reimbursements for Upper Llagas Creek to fully construct Phase 2
- Assumes receipt of San Francisquito Creek outside funding sources, including \$20M from grants and partnerships through the SFCJPA; along with an \$8.9M CalTrans grant through the City of Palo Alto for Newell Road Bridge
- Total Reserves in FY 36 are roughly \$78M less than original plan due to cost increases for Upper Llagas, Almaden Lake & SF Creek

valleywater.org