

July 11, 2022

**MEETING NOTICE****SANTA CLARA VALLEY WATER DISTRICT  
CAPITAL IMPROVEMENT PROGRAM COMMITTEE****Members of the Capital Improvement Program Committee:**

Director Nai Hsueh, Chairperson  
Director Tony Estremera, Vice Chairperson  
Director Linda J. LeZotte, Committee Member

**Staff Support of the Capital Improvement Program Committee:**

Rick L. Callender, Esq., Chief Executive Officer  
Melanie Richardson, Asst. Chief Officer – Integrated Water Management  
Leslie Orta, Senior Assistant District Counsel  
Rachael Gibson, Chief of External Affairs  
Tina Yoke, Chief Administrative Officer  
Darin Taylor, Chief Financial Officer  
Aaron Baker, Chief Operating Officer – Water Utility  
Rechelle Blank, Chief Operating Officer – Watersheds  
Lisa Bankosh, Assistant Officer  
Sam Bogale, Assistant Officer  
Don Rocha, Deputy Administrative Officer  
Michael Cook, Deputy Administrative Officer  
Christopher Hakes, Deputy Operating Officer  
Bhavani Yerrapotu, Deputy Operating Officer  
John Bourgeois, Deputy Operating Officer  
Jennifer Codianne, Deputy Operating Officer  
Emmanuel Aryee, Acting Deputy Operating Officer  
Vincent Gin, Deputy Operating Officer  
Gregory Williams, Deputy Operating Officer  
Bryant Welch, Labor Relations Officer  
David Montenegro, Principal Construction Contracts Administrator  
Charlene Sun, Treasure & Debt Manager  
Jessica Collins, Business Planning and Analysis Unit Manager  
Conception Gayotin, Purchasing & Contracts Manager  
Linh Hoang, Communications Manager  
Jennifer Martin, Program Administrator  
Jill Bernhard, Acting System Development & Support Manager  
Sarah Berning, Program Administrator  
Alison Phagan, Senior Management Analyst

A regular meeting of the Santa Clara Valley Water District Capital Improvement Program Committee has been scheduled to occur at **11:00 a.m., on Monday, July 18, 2022** in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

Members of the public may join the meeting via Zoom Teleconference at <https://valleywater.zoom.us/j/94158013374>

The meeting agenda and corresponding materials are located on the Committee's website at: <https://www.valleywater.org/how-we-operate/committees/board-committees>.





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

Join Zoom Meeting:  
<https://valleywater.zoom.us/j/94158013374>

Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose, CA 95118

### **REGULAR MEETING AGENDA**

**Monday, July 18, 2022  
11:00 AM**

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

**BOARD COMMITTEE MEMBERS:**

Committee Chair:  
Director Nai Hsueh, District 5

Committee Vice Chair:  
Director Tony Estremera, District 6

Director Linda J. LeZotte, District 4

During the COVID-19 restrictions, 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 to the public through the legislative body agenda web page 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 participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

**COMMITTEE LIAISON:**  
Jessica Collins

**COMMITTEE CLERK:**  
Eva Marie Sans  
Assistant Deputy Clerk II  
408-265-2306  
[esans@valleywater.org](mailto:esans@valleywater.org)  
[www.valleywater.org](http://www.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  
REGULAR MEETING  
AGENDA**

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Monday, July 18, 2022

11:00 AM

Join Zoom Meeting:  
<https://valleywater.zoom.us/j/94158013374>

Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose, CA 95118

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**\*\*\*IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS\*\*\***

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as a “hybrid” meetings, conducted in-person as well as by telecommunication, and is compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while still maintaining transparency and public access, members of the public have an option to participate by teleconference/video conference or attend in-person. To observe and participate in the meeting by teleconference/video conference, please see the meeting link located at the top of the agenda. If attending in-person, you are required to wear a mask.

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the “Raise Hand” tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board’s office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

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/94158013374>**  
**Meeting ID: 941 580 13374**  
**Join by Phone:**  
**1 (669) 900-9128, 94158013374#**

**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" tool 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. APPROVAL OF MINUTES:**

3.1. Approval of June 13, 2022 Capital Improvement Program Committee Minutes.

[22-0817](#)

Recommendation: Approve the minutes.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: 061322 CIP Committee Meeting Minutes](#)

Est. Staff Time: 5 Minutes

**4. ACTION ITEMS:**

- 4.1. Review Capital Project Monitoring - Feasibility and Planning Report. [22-0799](#)
- Recommendation: Receive updates on projects in the feasibility and planning phase, discuss resource needs, and make recommendations as necessary.
- Manager: John Bourgeois, 408-630-2990  
Christopher Hakes, 408-630-3796  
Emmanuel Aryee, 408-630-3074  
Bhavani Yerrapotu, 408-630-2735  
Vincent Gin, 408-630-2633
- Attachments: [Attachment 1: Feasibility and Planning Report](#)
- Est. Staff Time: 15 Minutes
- 4.2. Review Capital Projects not Listed in the Capital Project Monitoring Phase Reports. [22-0832](#)
- Recommendation: Review Capital Projects not Listed in the Capital Project Monitoring Phase Reports.
- Manager: Melanie Richardson, 408-630-2796
- Attachments: [Attachment 1: Capital Projects not Listed in the Capital Project Monitoring Phase Reports](#)
- Est. Staff Time: 15 Minutes
- 4.3. Future Funding for Dam Safety Program. [22-0837](#)
- Recommendation: Receive Information on Future Funding for Dam Safety Program.
- Manager: Darin Taylor, 408-630-3068  
Chris Hakes, 408-630-3796
- Est. Staff Time: 5 Minutes
- 4.4. Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract. [22-0848](#)
- Recommendation: Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.
- Manager: Christopher Hakes, 408-630-3796
- Attachments: [Attachment 1: Construction Contract Change Orders Status](#)
- Est. Staff Time: 5 Minutes
- 4.5. Receive Information on Upcoming Consultant Agreement Amendments for Capital Projects. [22-0802](#)
- Recommendation: Receive information on upcoming consultant agreement amendments for capital projects.
- Manager: Christopher Hakes, 408-630-3796
- Est. Staff Time: 5 Minutes

- 4.6. Review 2022 Capital Improvement Program Committee Work Plan.

[22-0870](#)

Recommendation: Review the 2022 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: 2022 CIP Committee Workplan](#)

Est. Staff Time: 5 Minutes

**5. 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.*

**6. ADJOURN:**

- 6.1. Adjourn to Regular Meeting at 11:00 a.m., on August 15, 2022.





# Santa Clara Valley Water District

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**File No.:** 22-0817

**Agenda Date:** 7/18/2022

**Item No.:** 3.1.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### **SUBJECT:**

Approval of June 13, 2022 Capital Improvement Program Committee Minutes.

#### **RECOMMENDATION:**

Approve the minutes.

#### **SUMMARY:**

In accordance with the Ralph M. Brown Act, a summary of Committee discussions, and details of all actions taken by the Capital Improvement Program Committee, during all open and public Committee meetings, is transcribed and submitted to the Committee for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the Committee's historical record archives, and serve as the official historical record of the Committee's meeting.

#### **ATTACHMENTS:**

Attachment 1: 061322 CIP Committee Minutes

#### **UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

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## CAPITAL IMPROVEMENT PROGRAM MEETING

# MINUTES

MONDAY, JUNE 13, 2022  
11:00 AM

(Paragraph numbers coincide with agenda item numbers)

### 1. CALL TO ORDER:

A special meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Program Committee (Committee) was called to order at 5700 Almaden Expressway in San Jose, California at 11:00 a.m.

#### 1.1 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 in attendance was Glenna Brambill, Management Analyst II.

Staff participating were H. Angeles, J. Aranda, E. Aryee, L. Bankosh, S. Berning, S. Bogale, J. Bourgeois, G. Brambill, F. Chak, J. Codianne, J. Collins, M. Cook, J. Devadoss, S. Ferranti, A. Fraumeni, M. Ganjoo, C. Gayotin, A. Gschwind, C. Hakes, M. King, C. Kwok-Smith, O. Leonardo, J. Martin, D. Montenegro, C. Nguyen, M. Nguyen, J. O'Brien, A. Phagan, D. Rocha, L. Orta, K. Struve, J. Villareal, T. Yoke, and B. Welch.

### 2. TIME OPEN FOR PUBLIC COMMENTS 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:

#### 3.1 Approval of Minutes.

Recommendation: Approve the minutes of the May 16, 2022 meeting.

The Committee considered the minutes of the May 16, 2022 meeting.

It was moved by Director LeZotte, seconded by Vice Chairperson Estremera, and unanimously carried by roll call vote, to approve the Minutes of May 16, 2022, as presented.

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Attachment 1  
Page 1 of 5

#### **4. ACTION ITEMS:**

##### **4.1 Receive Update on the ERP System Implementation Project No. 73274002.**

Recommendation: Receive update on the ERP System Implementation Project No. 73274002.

Mr. Michael Cook, Deputy Operating Officer, reviewed the information on this item per the attached Committee Agenda Memo, and corresponding presentation material contained in Attachment 1.

The Committee received information on Valley Water's (VW) Enterprise Resource Planning System's Phase 1 and 2 implementation schedule; lessons learned associated with contractors late delivery, resource models and staff turnover on both Infor and VW sides; post-go live punchline list and optimization phase.

The Committee noted the following without taking formal action:

- VW has a partner that helps to enhance the system such as generation of additional financial reports than what were originally thought were needed, and development of new screens and menus for easier use.
- Infor's license agreement is for support and maintenance of their software which includes update services such as implementing system changes due to annual changes in tax law as well as "bread-fix" type issues. With Cendien, items that are for enhancement and optimizations, or those that are "nice to have" rather than "need to have" are indicated on the current three-year agreement, a longer and less expensive agreement than Infor.
- Mr. Cook would share a diagram that shows the extensive integration with PMIS and VEMO to the Committee via email through Ms. Brambill.

The Committee mentioned that VW contracts should legally include how contractor replaces staff that leave their company to ensure continuity of Valley Water projects.

##### **4.2 Review Capital Project Monitoring – Construction Report.**

Recommendation: Receive and discuss information regarding the status of capital projects in the construction phase.

Mr. Chris Hakes, Deputy Operating Officer, reviewed the information on this item per the attached Committee Agenda Memo, and the corresponding material contained in Attachment 1 were reviewed, as follows: Mr. Hakes reviewed Line Item Nos. 1 and 2 ; Mr. Emmanuel Aryee, Acting Deputy Operating Officer reviewed Line Item Nos. 3 through 11; Ms. Julianne O'Brien, Associate Engineer-Civil, reviewed Line Items 12 through 19; and Mr. Cook reviewed Line Item Nos. 20 through 23.

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**Attachment 1**

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The Committee received information on capital projects in the construction phase without taking formal action and noted the following:

- In regard to the Anderson Dam Seismic Retrofit Project, Mr. Hakes stated that a site tour could be arranged by staff; and that staff would come back with a presentation on timelines and photos of the tunnel excavations.
- In regard to the Pacheco Pumping Plants Priority I Fire Alarm & Suppression Project, Mr. Aryee stated that construction completion should be sometime in July/August this year instead of Spring 2023 as published on the agenda.
- In regard to a tracking system to monitor projects that are either on a three-year plant establishment, or in a monitoring period such as the gravel movement monitoring on the Upper Guadalupe River Reach 6, Mr. Bourgeois and Chairperson Hsueh would determine the timing of reporting and develop the materials to be presented to this Committee. Chairperson Hsueh added that the big picture includes vegetation which is a contractor's responsibility, and VW have to show how to hold contractor responsible. Director LeZotte requested the Closeout phase reporting be added to the Capital Project Monitoring report outs.
- In regard to the Other SCW 2012 SCW: Permanente Creek, SF Bay to Foothill Expressway Project, Ms. O'Brien, mentioned that an external design consultant reviewed the integrity of the walls, and proposed a need for additional projects; and that staff would reach out to this Committee with more information.
- In regard to the Watershed Asset Rehabilitation Program, Chairperson Hsueh mentioned that properties on the erosion sites are Valley Water properties, and that she recently approved an informational notice to adjacent property owners about the project.
- In regard to the Data Consolidation project, Mr. Cook stated that Data Consolidation is more of a misnomer since the project is more about a tool that allows digitalization of records, automation, and allows metadata of documents that could be linked for work flow streamlining; that this project was scoped out to handle pilot projects with departments then would move on to enterprise-wide application; and that Valley Water would have more projects to be included as more records are converted to electronic format. Ms. Jessica Collins, Business Planning & Analysis Unit Manager, identified herself as in charge of VW's Lands Management Program, added that the Hyland system uses a scanning software to identify and search key words for use when looking for prior easements including summary information about the easement; and allows linking and storing scanned documents into ECM and GIS where staff could then access easements and deeds in real time.

#### **4.3 Receive Information on Upcoming Consultant Agreements Amendments for Capital Projects.**

Recommendation: Receive information on upcoming consultant agreement amendments for capital projects.

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**Attachment 1**

**Page 3 of 5**

Mr. Aryee reviewed the information on this item per the attached Committee Agenda Memo.

The Committee received information on capital projects in the construction phase without taking formal action and noted that this on-call agreement creates Task Orders from project owners that request pipeline analysis and rehabilitation services; that the \$5M sets the limit within which these task orders are budgeted; and that Kennedy Jenks Consultants would continue to work under these task orders.

The Committee mentioned that on-call agreements should be managed with clear policy criteria and in a consistent manner, as our organization is now much bigger and that perception from outside on the \$5M approved by the Board could be that the full amount would be spent fully through a contract extension; that there is no objection from this Committee on this particular amendment; that on-call agreements give us flexibility to manage resources; that we need to take some effort to manage and be consistent with on call consultant agreements; and that the Board's desire is to assist small consulting firms to transition to medium-size firms through the project.

The Committee noted the information, without taking a formal action.

#### **4.4 Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.**

Recommendation: Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

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

The Committee received the information without taking formal action, and noted the following:

- In regard to the change order on the Tunnel and Miscellaneous Items/Removal of Taber Drilling from Scope, Mr. Hakes stated that Taber Drilling would have done some of the drilling on the scope of work of the construction contract, and that AECOM would now be taking care of contracting that scope of work which would be more cost effective than having Taber Drilling carry out the work; Mr. Hakes further explained that the net cost of the original changes approved by DSOD and FERC were higher, so that the reduction on the construction contract were offset by the increase on the AECOM contract. He also explained that staff does not report on the AECOM agreement to this Committee because funding is already covered and supplemental services such as this have no contingencies.
- In regard to the change order on the Upsizing Soil Nail Rows, Mr. Hakes informed the Committee that approval of the upsizing of soil nails was in the interest of time for the project.

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**Attachment 1**

**Page 4 of 5**

The Committee requested a format update on the Change Order status table seen as Attachment 1 by adding a row under the Amount columns that would show the total amount of Approved and Approved & Pending change orders.

**4.5 Review 2022 Capital Improvement Program Committee Work Plan.**

Recommendation: Review the 2022 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

Chairperson Hsueh noted the following:

- Director LeZotte's request on capital project monitoring status of the closeout phase would be added under Capital Project Monitoring, which is already under the CIP Implementation section of the work plan; and
- At the next Consultant Agreement Compliance Process update in August 2022, staff to include lessons learned in contract management as discussed under Item 4.1 of this meeting; and
- At the next Capital Project Monitoring under Construction Phase in September 2022, staff to present footage of the tunnel excavation for the Anderson Dam Seismic Retrofit project.

**5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS:**

None.

**6. ADJOURN:**

**6.1 Adjourn to Regular Meeting at 11:00 a.m., on July 18, 2022.**

Chairperson Hsueh adjourned the meeting at 12:30 p.m., to the next regular meeting on July 18, 2022.

Eva Sans  
Assistant Deputy Clerk II

Approved:

Date:







# Santa Clara Valley Water District

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**File No.:** 22-0799

**Agenda Date:** 7/18/2022

**Item No.:** 4.1.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### **SUBJECT:**

Review Capital Project Monitoring - Feasibility and Planning Report.

#### **RECOMMENDATION:**

Receive updates on projects in the feasibility and planning phase, discuss resource needs, and make recommendations as necessary.

#### **SUMMARY:**

The CIP Committee's 2022 Workplan includes monitoring of capital projects during all phases of delivery. Staff will prepare a list of active projects to submit to the Committee each month and will provide detailed information on those where potential and/or significant issues have been identified. The projects presented for discussion will be organized by phases: feasibility/planning; design/permitting; and construction. Staff will present projects to the CIP Committee for review one phase at a time. Projects currently in the feasibility/planning phase are being presented this month.

Attachment 1 is a list of projects in the feasibility/planning phase. A verbal report will be provided at the meeting with more detailed information about recent developments as requested by the Committee.

#### **ATTACHMENTS:**

Attachment 1: Feasibility and Planning Report

#### **UNCLASSIFIED MANAGER:**

John Bourgeois, 408-630-2990

Christopher Hakes, 408-630-3796

Emmanuel Aryee, 408-630-3074

Bhavani Yerrapotu, 408-630-2735

Vincent Gin, 408-630-2633



## Capital Project Monitoring - July 2022

Feasibility and Planning Phase			
Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues
<u>Water Supply</u>			
1	91084019	Dam Seismic Stability Evaluation	Seismic stability evaluations for Coyote, Chesbro and Uvas Dams continue through December 2022. Spillway evaluations for Lenihan and Stevens Creek Dams are on track, and have been submitted for Division of Safety of Dams (DSOD) review.
2	91954002	Pacheco Reservoir Expansion Project	Staff and the consultant team are working to address public comments received on the draft Environmental Impact Report (EIR) and will incorporate them into the Final EIR which is scheduled for release in late 2023. Technical work continues with 30% design reviews by the technical review board. Additional field investigations will be starting soon and will continue through the end of 2022. Planning phase activities will be completed once the 30% design level facilities are finalized.
3	92C40357	FAHCE Implementation	Fish and Aquatic Habitat Collaborative Effort (FAHCE) phase 1 measures for Coyote Creek are being incorporated into the Anderson Dam Seismic Retrofit Project EIR, and its associated permitting package, as conservation measures for the larger project. The FAHCE Draft EIR for Stevens Creek and Guadalupe Watershed was out for public review until October 15, 2021. Comments are currently being addressed. Progress on the program is being reported to the Stewardship Planning and Operations Committee regularly, including updates on the EIRs, pilot flow implementation in Guadalupe Creek and Stevens Creek, initialing parties and adaptive management meetings, progress in fish restoration in Coyote Creek, Guadalupe River, and Stevens Creek watersheds.
4	92304001	Almaden Valley Pipeline Replacement Project	Upon suggestion from the CIP Committee, staff has further evaluated and determined that the Project can proceed directly to the design phase. Staff would therefore be submitting a waiver for the planning phase as required.
5	91304001	Purified Water Program - P3	Based on responses from a Request for Qualifications (RFQ), staff has shortlisted four teams to submit proposals and is continuing to make progress on development of the RFP and Draft EIR. Updates will be presented to the Recycled Water Committee. Staff is performing outreach to cities and landowners along the proposed pipeline route, as well as ensuring public acceptance of the project.
6	93044001	Water Treatment Plant (WTP) Master Plan Implementation Project	Draft master planning goals and objectives have been created and condition assessments of the three drinking water treatment plants have been performed. Water treatment plant needs and deficiencies are being evaluated.
7	95044002	SCADA Master Plan Implementation Project	Both the Master Plan and Owner Advisor consultant agreements were approved by the Board on May 24, 2022, and the consultants began work on June 1, 2022.
8	95044001	Distribution System Master Plan Implementation Project	The engineering consultant agreement was approved by the Board on May 24, 2022, and the consultant began work on May 26, 2022.
9	95084002	10-Year Pipeline Inspection and Rehabilitation Project	Staff has begun coordination with internal stakeholders to initiate a new program that will follow the current program. O&M staff plan on initiating the project initiation phase starting in FY 2023
<u>Flood Protection</u>			
10	26324001	E4: Upper Penitencia Ck, Coyote Ck-Dorel Drive	Recommended project proceeding with Phase 1 (Coyote Creek confluence to King Rd.) and Phase 2 (King Rd. to Capitol Ave.) work, as approved by the Board of Directors in December 2019. Per Board direction (on December 17, 2019), \$21M (uninflated) was transferred from this project to Coyote Creek. The Planning Study Report completed final draft for internal circulation in May 2022; the Planning Study Report is currently being finalized. The project will move into the design phase in late 2022.
11	30154019	Guadalupe River - Tasman to Hwy 880	Problem Definition Report completed July 2019; Feasible alternatives analysis currently underway; public meeting held October 1, 2020. Planning study report delayed due to extensive list of alternatives and the work required to analyze. Recommended project report under development after summer 2022.

Capital Project Monitoring - July 2022

Feasibility and Planning Phase			
Row	Project No.	Project Name	Notes, Upcoming Board Actions or potential issues
12	00044026s	San Francisco Bay Shoreline - Phase II and Phase III	USACE Phase II Feasibility Study began September 26, 2019. A 3X3X3 waiver was approved in 2021. The revised study cost will now be \$5.6M with a study completion date of April 2025. Valley Water is responsible for 50% of the study cost. The Phase II study includes Economic Impact Areas (EIAs) EIAs 1-4 (from San Francisquito Creek in Palo Alto to Permanente Creek in Mountain View). The next milestone for the Tentative Selection Plan is targeted for July 2022 pending sufficient federal funding. USACE has received \$1.5M to begin a Phase III Feasibility Study for EIAs 5-10 (from Permanente Creek in Mountain View to Guadalupe River in San Jose), staff will be discussing next steps with USACE.
Water Resources Stewardship			
13	62044001	Metcalf Pond Feasibility Study	Project team engaged Steering Committee members with planning charrettes (problem definition and conceptual alternatives) in 2020. Draft Feasibility Study Report was updated in May 2022 and is under quality control review.
14	20444001	Calabazas/ San Tomas Aquino Creek-Marsh Connection Project (Renamed from Salt Ponds A5-11 Restoration Project)	Final Feasibility Study Report was presented to the Board for study direction in April 2021. Board approved project proceeding into planning phase. Project was presented to the Board for budget adjustment and acceptance of awarded grants on December 14, 2021. Project now in planning phase for problem definition. In fall 2022, staff will be requesting Board approval of consultant contracts to provide support services for planning, monitoring, and hydraulic modeling tasks.
15	62044003	Ogier Ponds Planning Study	Staff proceeding with early planning phase tasks to develop conceptual alternatives as negotiations with the landowner (County Parks) on a Property Use Agreement are finalized. Planning study is being closely coordinated with Anderson Dam Seismic Retrofit Project work.
Buildings & IT			

No projects to report at this time.



# Santa Clara Valley Water District

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**File No.:** 22-0832

**Agenda Date:** 7/18/2022

**Item No.:** 4.2.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### **SUBJECT:**

Review Capital Projects not Listed in the Capital Project Monitoring Phase Reports.

#### **RECOMMENDATION:**

Review Capital Projects not Listed in the Capital Project Monitoring Phase Reports.

#### **SUMMARY:**

The 2022 Workplan for the Board Capital Improvement Program (CIP) Committee (Committee) includes monitoring of capital projects during all project phases. Under the Workplan section Capital Project Monitoring, staff presents a list of active projects in either the feasibility/planning, design/permitting or construction/closeout phase. Each phase is presented quarterly, on a rotating, recurring basis at each monthly Committee meeting. Along with general status updates, these presentations allow staff to present information on projects with potential and/or significant issues.

During the January 18, 2022, Special CIP Committee meeting, the Committee requested to be informed about capital projects not currently listed as part of the Capital Project Phase Monitoring items. In response to this request, staff is proposing to bring forward an overview of capital projects not listed in the capital project monitoring phase reports at the onset of each fiscal year to provide the CIP Committee with an update on those projects.

At this time, staff has identified 18 capital projects (with additional sub-projects) currently not listed in the monthly monitoring reports. The overview will include projects in the closeout or plant establishment phase, projects that are on-hold and placeholder projects (Attachment 1).

As per a recent request made during the June 13, 2022 Special CIP Committee meeting, moving forward projects in close-out, which includes plant establishment managed under the construction contract, will be included as part of Capital Project Monitoring Construction/Closeout Phase Report.

#### **ATTACHMENTS:**

Attachment 1: Capital Projects not Listed in the Capital Project Monitoring Phase Reports

#### **UNCLASSIFIED MANAGER:**

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**File No.:** 22-0832

**Agenda Date:** 7/18/2022  
**Item No.:** 4.2.

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Melanie Richardson, 408-630-2796

## Capital Project Monitoring Report - July 2022

### Capital Projects Not Listed In Planning, Design or Construction Monitoring

Row	Project No.	Project Name	Notes, upcoming Board actions or potential issues
Water Supply			
1	91854001	Almaden Dam Improvements	Project was on hold in FY22 due to staff resources being allocated to the Anderson Dam Seismic Retrofit Project. In FY23, the canal portion of the project will be separated so that it can move forward.
2	91874004	Calero Dam Seismic Retrofit - Design & Construct	Project was on hold in FY22 due to staff resources being allocated to the Anderson Dam Seismic Retrofit Project. In FY23, a new design consultant will be solicited and the project will advance.
3	93294056	RWTP Treated Water Valves Upgrades	Project construction was completed in FY22 and will be moved to closeout phase report for monitoring.
Flood Protection			
4	40264011	Cunningham Flood Detention Certification	Project construction was accepted as complete in FY20 and will be moved to closeout phase report for monitoring.
5	50284010	Llagas Creek—Lower, Capacity Restoration, Buena Vista Road to Pajaro River	Project was on hold due to staffing resources that were required for the accelerated schedule that occurred for Upper Llagas project. Staff is moving forward with revising and updating the Draft Planning Study Report to include field reconnaissance, possible modeling updates, and the development of past and new alternatives to address updated site conditions. This project will be moved to the next Planning Phase update.
6	26C40420	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3 (Design and Planning) (E3)	Placeholder project for Project E3 under the renewed Safe, Clean Water Program. (The project location is in the City of Milpitas and includes Tularcitos Creek and Upper Calera Creek, which are two tributary creeks of Lower Berryessa Creek. Once constructed, this project will provide 1% (100-year event) flood protection to 1,100 parcels affected by Upper Calera Creek, and to an estimated 320 parcels along Tularcitos Creek. Design for this project is slated to begin in 2032.)
	40C40397	Berryessa Ck, Lower Penitencia Ck to Calaveras Blvd Phs 3	Placeholder project for future construction.
7	26174041s	Berryessa Creek, Calaveras Blvd. to I-680 26174041 Berryessa Creek, USACE coordination 26174042 Berryessa Creek, LERRDs	Project construction was accepted as complete by the Board in FY21 and will be moved to closeout phase report for monitoring.
Water Resources Stewardship			
8	62C40145	FAHCE Stevens Creek Moffett Ave Fish Ladder - 10%	Expenditures administratively updated to FY25 due to no planned budget or expenditures in FY23 or FY24; project manager TBD and expenditure plan to be updated.
	92C40145	FAHCE Stevens Creek Moffett Ave Fish Ladder - 90%	
9	62C40198	FAHCE Stevens Creek Multi-Port Outlet at Dam - 10%	Expenditures administratively updated to FY25 due to no planned budget or expenditures in FY23 or FY24; project manager TBD and expenditure plan to be updated.
	92C40198	FAHCE Stevens Creek Multi-Port Outlet at Dam - 90%	
10	62C40403	Stevens Creek Fish Barrier Removal - 100%	Expenditures administratively updated to FY25 due to no planned budget or expenditures in FY23 or FY24; project manager TBD and expenditure plan to be updated.
11	26C40370	SCW Implementation: Fish Passage Improvements (Future D4)	Expenditures administratively updated to FY25 due to no planned budget or expenditures in FY23 or FY24; project manager TBD and expenditure plan to be updated.
12	26C40419	SCW Implementation: Restoration of Natural Creek Functions (D6.3)	Expenditures administratively updated to FY25 due to no planned budget or expenditures in FY23 or FY24; project manager TBD and expenditure plan to be updated.
13	95C40400	Project 1 Design & Construction (e.g. Metcalf Ponds)	Placeholder project under the Watersheds Habitat Enhancement Design & Construction Project. Expenditures administratively updated to FY25 due to no planned budget or expenditures in FY23 or FY24; project manager TBD and expenditure plan to be updated.
14	95C40401	Project 2 Construction (e.g. Ogier Ponds)	Sub-projects of placeholder projects under the Watersheds Habitat Enhancement Design & Construction Project. Expenditures administratively updated to FY25 due to no planned budget or expenditures in FY23 or FY24; project manager TBD and expenditure plan to be updated.
	62C40402	Project 2 Construction (e.g. Ogier Ponds)	
Buildings & IT			

## Capital Project Monitoring Report - July 2022

### Capital Projects Not Listed In Planning, Design or Construction Monitoring

Row	Project No.	Project Name	Notes, upcoming Board actions or potential issues
15	60204016	Facility Management Small Caps	Under this small capital project, Facilities has performed the following work: Replacement of cubicle and unclassified furniture for employees at Headquarters (HQ), floors 1-3; Reconfiguration of cubicles in Administration Building, floor 1; HVAC replacement design at various locations of the main campus; Various electrical infrastructure replacements on the main campus; Reroofing of Administration Building. Upcoming work includes: Replacement of electrical generator for HQ; Replacement of chiller/cooling tower at HQ; Interior model of Blossom Hill Annex Building (BHA); Replacement of windows at HQ, floor 1; Asphalt replacement at Corp Yard; Replacement of HVAC system at BHA; Replacement of cubicle furniture at BHA, Crest, and Winfield locations.
16	60204032	Headquarters Operations Building	Projected to use \$2M of this capital funding in FY22 to work with the consultant. However, with the everchanging outlook related to recent personnel movement and increasing employee head count, many of the initial assumptions will need to be re-evaluated to account for the broader direction of the district. Therefore, it made it necessary to defer the FY22 allocation to FY23 as to obtain additional information and guidance before having our consultant proceed with their assessment.
17	60204022	Security Upgrades and Enhancements	New Capital project, with planning scheduled to start early FY23. Project will be added to planning/feasibility phase report for monitoring. Likely prioritizing requirements gathering and product selection for security technology as well physical security and fencing.
18	73274008	Software Upgrades and Enhancements	This project funds software renewals and upgrade projects for enterprise applications such as Asset Management, Access Valley Water and GIS, which are cyclical (annual) in nature. In FY23 several large upgrades and expansion projects are planned including upgrades to both our Asset Management and GIS platforms and continued optimization of our ERP system.
19	95274003	WTP-WQL Network Equipment	This project primarily funds the refresh of network and computer hardware for the Water Utility including Servers, Switches, Routers, Desktop Computers, Firewalls and other Cybersecurity appliances. Several systems upgrades are currently planned for FY23 in alignment with refresh schedules.





# Santa Clara Valley Water District

**File No.:** 22-0837

**Agenda Date:** 7/18/2022

**Item No.:** 4.3.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### **SUBJECT:**

Future Funding for Dam Safety Program.

#### **RECOMMENDATION:**

Receive Information on Future Funding for Dam Safety Program.

#### **SUMMARY:**

At its May 16, 2022 meeting, the CIP committee referred a discussion of Dam Repair and Rehabilitation Long Term Financial Planning to the Financial Sustainability Working Group. On June 21, 2022 the Financial Sustainability Working Group met and discussed the topic. At issue is how best to prepare financially for the repair or replacement of large aging assets, like dams, which can be extremely costly as evidenced by the large cost associated with the Anderson Dam Seismic Retrofit Project (ADSRP). The working group discussed the possibility of establishing a dam repair reserve that could be built up over time to help pay for the eventual cost of dam repairs or replacements. However, the counter argument is that establishing this new reserve would require setting higher water rates in the near term to fund it, which in the absence of defined project plans, is not a prudent use of Water Utility revenue.

Alternatively, Valley Water finance staff are adept at preparing long term financial projections that smooth out water rate increases despite large spikes in capital expenditures with the use of tools such as debt financing and debt service coverage ratio management. However, Valley Water's practice is to only forecast out for the next 10 years. Consequently the working group suggested that as part of the FY 24 water rate setting and budget setting processes, staff prepare a 25-year financial forecast that would include assumptions with regard to repair and rehabilitation of large assets during that time frame. While a forecast that far into the future will certainly include many assumptions, it would provide the Board with a comprehensive financial picture of the next 25 years, and would help the Board make any necessary decisions today to address the future.

#### **ATTACHMENTS:**

Attachment 1: None

#### **UNCLASSIFIED MANAGER:**

Darin Taylor, 408-630-3068

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**File No.:** 22-0837

**Agenda Date:** 7/18/2022  
**Item No.:** 4.3.

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Chris Hakes, 408-630-3796



# Santa Clara Valley Water District

**File No.:** 22-0848

**Agenda Date:** 7/18/2022

**Item No.:** 4.4.

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## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### **SUBJECT:**

Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

#### **RECOMMENDATION:**

Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

#### **SUMMARY:**

During the May 17, 2021, Capital Improvement Program (CIP) Committee meeting, staff provided an update on the Anderson Dam Tunnel Project No. 91864005. The Committee requested staff provide monthly change order status updates after construction of the ADTP commences on July 7, 2021.

#### **Project Background**

Santa Clara Valley Water District (Valley Water) is undertaking the Anderson Dam Federal Energy Regulatory Commission Order Compliance Project (FOCP) as a result of the February 20, 2020, directive from the Federal Energy Regulatory Commission (FERC) to implement interim risk reduction measures at Anderson Dam. One of those measures is the Anderson Dam Tunnel Project (ADTP).

On April 27, 2021, Valley Water's Board of Directors awarded the construction contract for the Anderson Dam Tunnel Project (ADTP) to the top ranked best value proposer, Flatiron West, Inc. (Flatiron), in the sum of \$161,140,321 and approved a contingency amount of \$40,000,000 (25% of the contract price). The Board directed staff to discuss delegating authority for contingency expenditures with the CIP Committee.

By unanimous roll call vote at its May 17, 2021, meeting, the Committee approved recommending to the full Board that it consider delegating authority to staff to approve change orders for the Anderson Dam Tunnel Project at the amounts stated below and that the CIP Committee receive regular monthly reports with information regarding approved change orders, pending change orders, and the cumulative amounts. Valley Water's Board of Directors accepted the CIP Committee recommendations at its regular meeting on May 25, 2021.

#### ***Delegated Approval Authority***

Unit Manager: Up to \$100,000  
Assistant Operating Officer: Up to \$250,000  
Deputy Operating Officer: Up to \$500,000  
Assistant Chief Executive Officer: Up to \$2.5 million  
Chief Executive Officer: Up to \$5 million  
Board of Directors: \$5 million and above

### ***Construction Contract Change Orders Status***

There is one pending change order relating to four areas of work listed below, which were analyzed and reviewed by staff.

- 1. Increased Quantity of Diversion Portal Excavation** - Bid Item No. 3b.1 Diversion Portal Excavation, increased by 620.7 cubic yards (CY). The quantity of excavation had been underestimated in the bid documents. This portion of the change order work is valued at 620.7 CY at \$20 per CY = \$12,414.00.
- 2. Assistance with Geological Investigations** - Valley Water required Flatiron to provide assistance with the geological investigation in the vicinity of the Diversion Portal on the 3.75:1 slope. This work includes the costs for excavating the trenches and backfilling with compacted materials to acceptable conditions after Valley Water completed their investigation and is valued at \$25,089.05.
- 3. Internet Access to Construction Trailer # 2** - Valley Water had planned to provide internet access to Trailer # 2 (used by Valley Water and FERC and DSOD staff), onsite. That plan was abandoned due to issues related to obtaining an appropriate vendor. The contractor was therefore instructed to provide wired internet access. This work includes provision by Flatiron of all necessary hardware and labor to have internet access installed in the trailer. This portion of the change order is valued at \$4,899.00.
- 4. Change of Infill Material in High Level Outlet Works (HLOW) Shaft** - Flatiron sought clarification that backfill concrete was acceptable for use as infill material in the HLOW shaft. The specifications had some ambiguity on the matter. The Engineer of Record determined that structural concrete should be used instead. Valley Water and Flatiron each agreed to share approximately half of the additional cost. This portion of the change order addresses costs associated with the material change from backfill concrete to structural concrete for the HLOW Shaft and is valued at \$20,661.27.

The net value of this change order is therefore \$12,414.00 + \$25,089.05 + \$4,899.00 + \$20,661.27 = **\$63,063.32**

### **ATTACHMENTS:**

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Attachment 1: Construction Contract Change Orders Status

**UNCLASSIFIED MANAGER:**

Christopher Hakes, 408-630-3796



**Anderson Dam Tunnel Project  
Construction Contract Change (CO) Order Status**

CO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
N/A		04/27/21	Original Contract	\$ 161,140,321.00	\$ 40,000,000.00	Board	
1	01/18/22	12/16/21	Additional Tree Removal, Protection and Relocation	\$ 460,250.41	\$ 39,539,749.59	DOO	Approved
2	02/14/22	04/26/22	Outlet Works Vertical Shaft Re-sizing	\$ 3,783,119.15	\$ 35,756,630.44	CEO	Approved
3	05/16/22	05/17/22	Water Quality Monitoring Equipment, Miscellaneous demolition, TCEAP VHF/UHF Radios	\$ 131,603.28	\$ 35,625,027.16	AOO	Approved
4	06/13/22	06/30/22	Tunnel and Miscellaneous Items from CDC-001/001.1, Remove Taber Drilling from Scope	\$ 386,801.98	\$ 35,238,225.18	DOO	Approved
5	06/13/22	06/30/22	Upsizing Soil Nail Rows D&E from #18 to #20	\$ 228,562.00	\$ 35,009,663.18	DOO	Approved
5				\$ 4,990,336.82	\$ 35,009,663.18		

Pending CO #	CIP Committee Date	Approval Date	Description	Amount	Contingency Amount	Approval Level	Status
6	07/18/22		Increased Quantity of Diversion Portal Excavation, Assistance with Geological Investigations, Internet access to Trailer # 2, and Change of Infill material for High Level Outlet Works (HLOW) Shaft	\$ 63,063.32	\$ 34,946,599.86	UM	Pending
1				\$ 63,063.32	\$ 34,946,599.86		

Total Number of COs (Approved & Pending)	Total Amount of COs (Approved & Pending)
6	\$ 5,053,400.14

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# Santa Clara Valley Water District

File No.: 22-0802

Agenda Date: 7/18/2022

Item No.: 4.5.

## COMMITTEE AGENDA MEMORANDUM

### Capital Improvement Program Committee

#### SUBJECT:

Receive Information on Upcoming Consultant Agreement Amendments for Capital Projects.

#### RECOMMENDATION:

Receive information on upcoming consultant agreement amendments for capital projects.

#### SUMMARY:

At the March 28, 2017 meeting, the Board of Directors approved revising the Capital Improvement Program (CIP) Committee's purpose to include monitoring implementation progress of key projects in the CIP. At their June 29, 2020 meeting, the CIP Committee requested this topic be added as a standing item on all future CIP Committee meeting agendas, and that staff provide updates on consultant agreement amendments for capital projects which may include modifications to scope, schedule, and/or budget.

There is one consultant agreement amendment for capital projects presented here for the Committee's information:

**1. Amendment No. 1 to Agreement A4243A with GEI Consultants, Inc. for Engineering Services for the Lenihan and Stevens Creek Dams Safety Evaluations Project No. 91084019 (Time Extension) (C. Hakes).**

Staff will recommend Deputy Administrative Officer (DAO) approval of Amendment No. 1 to Agreement A4243A with GEI Consultants, Inc. (Consultant) for Engineering Services for the Lenihan and Stevens Creek Dams Safety Evaluations Project No. 91084019 to extend the expiration date of the Agreement by two years, from July 31, 2022, to July 31, 2024.

In April 2017, the Governor of California ordered detailed evaluations of large spillway structures be conducted at all high-hazard dams, including Lenihan and Stevens Creek dams. This Project includes detailed spillway condition assessments, updated Probable Maximum Flood studies, Potential Failure Mode Analysis, and Supporting Technical Information Document.

Amendment No. 1 to Agreement A4243A will extend the term to allow the Consultant to continue to provide Independent Dam Safety Reviews for Lenihan and Stevens Creek Dams.

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**File No.:** 22-0802

**Agenda Date:** 7/18/2022  
**Item No.:** 4.5.

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**ATTACHMENTS:**

None.

**UNCLASSIFIED MANAGER:**

Christopher Hakes, 408-630-3796



# Santa Clara Valley Water District

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**File No.:** 22-0870

**Agenda Date:** 7/18/2022

**Item No.:** 4.6.

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## **COMMITTEE AGENDA MEMORANDUM**

### **Capital Improvement Program Committee**

**SUBJECT:**

Review 2022 Capital Improvement Program Committee Work Plan.

**RECOMMENDATION:**

Review the 2022 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

**SUMMARY:**

Work Plans are created and implemented by all Board Committees to increase Committee efficiency, provide increased public notice of intended Committee discussions, and enable improved follow-up by staff. Work Plans are dynamic documents managed by Committee Chairs and are subject to change. Committee Work Plans also serve to assist to prepare an Annual Committee Accomplishments Reports.

Discussion of topics as stated in the Plan have been described based on information from the following sources:

- Items referred to the Committee by the Board;
- Items requested by the Committee to be brought back by staff;
- Items scheduled for presentation to the full Board of Directors; and
- Items identified by staff.

The CIP Work Plan contained in Attachment 1 is presented for the Committee's review to determine topics for discussion in 2022.

Regular monthly meetings are scheduled to occur at 11:00 a.m., on the third Monday of each month or at the call of the Committee Chair.

**ATTACHMENTS:**

Attachment 1: 2022 CIP Committee Work Plan

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193



## CIP Committee 2022 Workplan

	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>
<b>Capital Project Monitoring</b>												
Feasibility/Planning	X			X			X			X		
Design/Permitting	X	X			X			X			X	
Construction/Closeout	X		X			X			X			X
<b>CIP Implementation</b>												
Lower Berryessa Creek Phase 2 Project Update		X										
Dam Safety Program Overview and Updates			X									
Purified Water Program Update			X									
Updates 10-Year Pipeline Program Overview and Updates				X								
ERP System Implementation Overview and Updates						X						
Capital Projects not in Monitoring							X					
Future Funding for Dam Safety Program							X					
Consultant Agreement Compliance Process								X				
Capital Project Management and Project Controls Program Overview									X			
Environmental Mitigation and Monitoring Program Overview									X			
<b>CIP Development</b>												
CIP Process Audit					X							
CIP Planning Process												
• Annual CIP Process and Integrated Financial Planning Schedule and Review of Initially Validated and unfunded Projects										X		
• Review Significant Project Plan Updates											X	
Preliminary CIP Review												X
<b>Standing Items</b>												
Anderson Dam Tunnel Project Contingency and Change Order Monitoring	X	X	X	X	X	X	X	X	X	X	X	X
Upcoming Consultant Agreement Amendments	X	X	X	X	X	X	X	X	X	X	X	X
Workplan	X	X	X	X	X	X	X	X	X	X	X	X
Minutes	X	X	X	X	X	X	X	X	X	X	X	X
Annual Election of Committee Officer		X										

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## MEMORANDUM

**TO:** Capital Improvement Program Committee    **FROM:** Nai Hsueh  
**SUBJECT:** Committee Inputs on Work Plan Item    **DATE:** July 18, 2022  
"Consultant Agreement Compliance  
Process" scheduled for August Meeting

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I had a discussion with staff last week about the "contract compliance" item on our work plan. I'm writing to the Committee to make sure that 1) I did not mis-represent the full board's direction, and 2) the information staff plans to bring to Committee will meet the committee's needs.

### **Background**

In 2019, issues resulting primarily from inadequate performance and errors and omissions by consultants on the Rinconada Reliability Project and the Rinconada Residual Management Project was the genesis of Board discussion (hence direction to CIP committee) of "contract compliance". The Board's focus was on "How does the District hold consultants accountable for their errors and omissions?"

Since 2019, staff has done significant amount of work on "contract compliance". In addition to improving processes/procedures/programs to meet laws/rules/regulations governing contracting and better communication among various parts of the District, the lessons learned from Rinconada Projects, and audit recommendations from PMA Consultants (Lower Silver Creek) and TAP are also included in this improvement efforts. Also, staff's efforts encompasses all contracts, not just consultant agreements. Staff has brought status of implementing audit recommendations by PMA and Navigant to CIP Committee for our information.

### **Summary of Discussion**

It seems that the Board's concern is a narrow (although very important) piece of staff's efforts of improving the District's "contract compliance" program.

### **Additional Information**

Since 2019, there are 2 consultant performance cases that staff discussed with Committee. They are:

- 1) Consultant for ERP Implementation Project, and
- 2) Structural consultant for Calera Creek Project.

Both cases were resolved through higher level of management's in-depth engagement.

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