

MEMORANDUM

WSIP Early Funding Project – Final Report

To: Amy Young, CWC

From: Julianne O'Brien, Valley Water

Date: August 15, 2024

Subject: Pacheco Reservoir Expansion Project

Introduction

A collaboration between Santa Clara Valley Water District (Valley Water), the San Benito County Water District, and the Pacheco Pass Water District, the Pacheco Reservoir Expansion Project is a strategic and long-term investment toward ensuring a more reliable supply of safe, clean drinking water in the face of climate change.

The project will boost Pacheco Reservoir's operational capacity from 5,500 acre-feet to up to 140,000 acre-feet, enough to supply up to 1.4 million residents with water for one year in an emergency. The project will also reduce the frequency and severity of water shortages during droughts, protect Valley Water's drinking water supply and infrastructure, and improve fish habitat.

Valley Water's project staff, the Planning, Design, and Environmental Consultant as well as the Program Management Consultant have worked and continue to work on the tasks set out in the Early Funding Agreement (EFA) between CWC and Valley Water. The Early Funding project started in November 2018 and the EFA end date was December 31, 2023.

This Final Report includes:

- A summary of the work performed per task in the EFA,
- a status of the deliverables,
- a summary of the expenditures,
- the planned project schedule as well as the actual schedule, and
- a brief Next Steps section to include the final funding agreement.

Summary of Work Completed

Task 1 SCVWD Tasks

Task 1.1 Consultant Procurement Services

Task 1.1 included developing comprehensive scopes of work; advertise, select and negotiate consultants; award and execute contracts. The procurement process was completed. The scope of work was developed, consultants selected and awarded the work in November 2018. There is no more work

under task 1.1.

Task 1.2 Permitting and Oversight Coordination

Task 1.2 is estimated to be 55% complete. Continued oversight and review of Project deliverables including project schedules, planning, alternatives analysis, environmental documents, geotechnical investigations, and preliminary designs will take place through environmental documentation and permitting process. This will be done prior to release to third parties. Similarly, coordination with state agencies, integration with project partners, addressing Board actions and submitting permit fees will continue to support the project's advancement as efficiently as possible.

Delays in the geotechnical investigations and the need to recirculate the Draft EIR (see summary of Delay Factors under Task 2) have contributed to this task not being completed within the timeframe of the Early Funding Agreement.

Task 1.3 Permissions-to-enter

Permissions-to-enter have been completed to an 85% level. There are additional access agreements being pursued for the upcoming design level investigations. The coordination with landowners will continue as the Geotechnical investigation restarts.

Task 2 Environmental Documentation and Permit Support

The project team made significant progress to task 2. However, delays to the Phase 2 Geotechnical work and additional project changes have resulted in some delays to the project.

Summary of Delay Factors

The project resumed the Phase 2 design level geotechnical field investigation activities in early May 2023; several weeks later a CEQA lawsuit court hearing was held regarding the use of a Categorical Exemption for design level geotechnical field investigation activities. Based on the court ruling, Valley Water put the design level geotechnical field investigation activities on hold, pending further CEQA analysis. The court hearing/decision did not impact environmental survey for the original project footprint, so those surveys are progressing to support developments of the recirculated draft EIR. Delayed property access is affecting final efforts to be completed in some areas.

In late 2021, DSOD rejected the feasibility of the hardfill dam type alternative and its related design concept. Their comments included lack of performance history of hardfill dams, risk of site-specific fault rupture and potential degradation of hardfill material over time in the presence of water. Considering the 2021 Draft EIR which evaluated earth fill dam alternatives at the same level of detail as hardfill dam alternatives, Valley Water moved forward with an earth fill alternative dam type which is acceptable to DSOD. The project team has progressed the earth fill dam type design to 30% design. DSOD has reviewed the corresponding 30% plans and specifications.

Additionally, after reviewing the DEIR comments and gathering additional project information, there is a need to further develop the impact analyses and mitigation on the proposed electrical transmission line, construction access improvements, as well as complete tribal consultation. Valley Water proposes re-circulating the Draft PREP EIR to address these needs.

Status of Work

The status of work is described below, listed by task:

Task 2.1 Project management

Work under this task included preparation of a Project Planning and Design Work Plan; preparation of status reports; Coordination and attendance at progress meetings; etc. While project management will continue for the duration of the project, it is considered complete for the EFA to the extent of this agreement's duration.

Task 2.2 Data Review and Problem Definition

This task is considered to be 80% complete. The remaining work, as described in the EFA, is under production. This task is delayed due to the factors previously listed above and work will continue until the end of the geotechnical investigations.

Task 2.3 Alternatives Analysis

This task included developing feasible alternatives, developing and applying an assessment methodology to score and rank the alternatives. This work has been completed.

Task 2.4 Staff-Recommended Alternative

This task included developing the recommended alternative to preliminary design (10%) level and work is completed.

Task 2.5 Planning Study and State Feasibility Report

Work under this task included developing live-cycle operation and maintenance costs, anticipated real estate needs and estimated construction costs, schedule and funding. The Planning Study Report and State Feasibility Reports are completed. However, Final feasibility documentation to be updated prior to full funding eligibility determination.

Task 2.6.1 Environmental Investigation and Studies

This task includes the assessments needed to evaluate environmental impacts of the Project as required by CEQA. Significant progress was made on this task. However, the delay in the Phase 2 Geotechnical Investigations as well as the additional investigations needed for the electrical transmission line have resulted in this task remaining incomplete. The geotechnical investigation work is expected to resume by mid-2024 and this task is anticipated to be completed by the end of 2025

Task 2.6.2 CEQA documentation

This task is considered 42% completed. The original Draft EIR was completed and circulated for public comment. The Draft EIR will need to be recirculated to address the comments received and to include the additional information on the electrical transmission line and construction access areas. The recirculation is currently expected to occur in 2025.

Task 2.6.3 Regulatory Permitting and Mitigation Monitoring Plan

This task includes producing permit applications, environmental documents and other supporting material. Since the regulatory permitting process follows the development of the CEQA documents the level of completion considered approximately 30%. Larger parts of this work will happen after the certification of the Final EIR, currently expected to occur in 2026

Task 2.6.4 CEQA and Permitting for Field Investigations

This task includes CEQA documentation and regulatory permits for geotechnical and subsurface cultural field investigations. Initial documents and permits were completed, however additional CEQA documentation is being developed to re-start design level geotechnical investigations. The additional CEQA documentation is slated for release in mid-year 2024. The documentation is nearing its completion and is 95% done.

Task 2.7 Geotechnical Data Collection and Investigations

This work includes the geotechnical investigations, laboratory testing of sampled materials and the Geotechnical Investigations/Data Report. With the delay in the design level geotechnical investigation the GDR will be completed after the Phase 2 Geotechnical Investigations completion. Current level of completion is considered to be 60% and it is expected that this will be completed in 2026

Task 2.8 Basis of Design Report

The Basis of Design Report will consist of a series of technical memoranda and reports that define the technical requirements and parameters to be used for the Project. This report is completed.

Task 2.9 Engineering Design and Analysis

Work under this task included preparing the plans, specifications and analyses required to develop the 30% level design package for the Project. This work is completed.

Deliverables

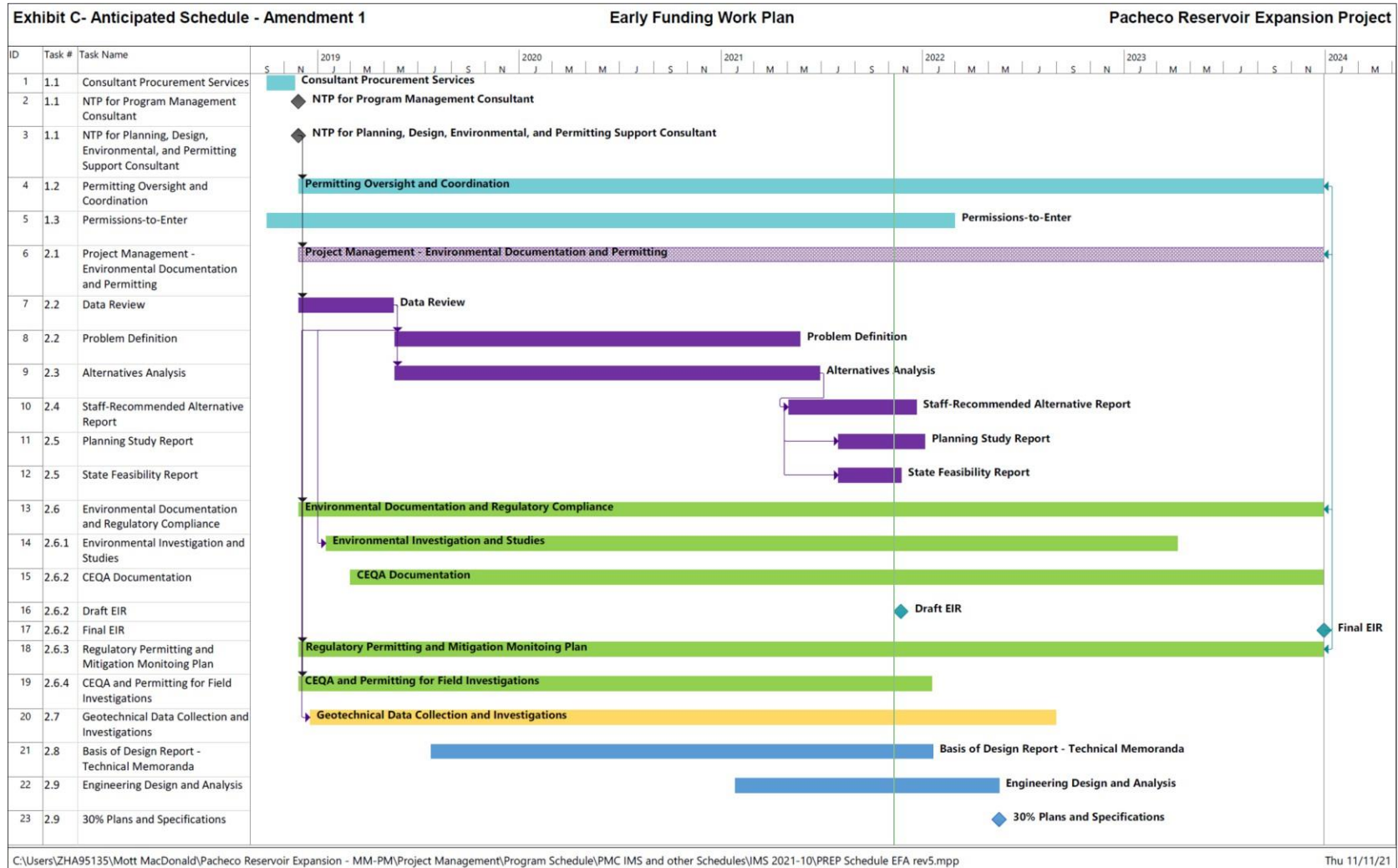
For an updated list of deliverables please see the Letter of Transmittal (LOT) dated May 16, 2024. The table below explains the status per task of the listed deliverable in the EFA.

Task	Deliverable	Status	Date Delivered	LOT item #	Notes
1.1	Awarded Program Management Consultant Contract	complete	7/14/2022	14	
1.1	Awarded Planning, Design, Engineering, and Permitting Support Consultant Contract	complete	7/14/2022	13	
1.2	Quarterly Reports	complete	2/2019-1/2024	34-75	
1.2	Final Reports	in progress	5/16/2024		
1.3	Final list of Permissions to Enter	complete	5/16/2024	76	
2.1	Quarterly Reports	complete	2/2019-1/2024	34-75	
2.2	Problem Definition Report	complete	7/14/2022	3	
2.3	Project Alternatives Technical Memoranda	complete	8/11/2023	15	
2.4	Preliminary Design (10%)	complete	7/14/2022	4	
2.4	Staff-Recommended Alternative Report	complete	8/11/2023	16	
2.5	Planning Study Report	complete	8/11/2023	17	
2.5	State Feasibility Report	complete	11/15/2021	2	

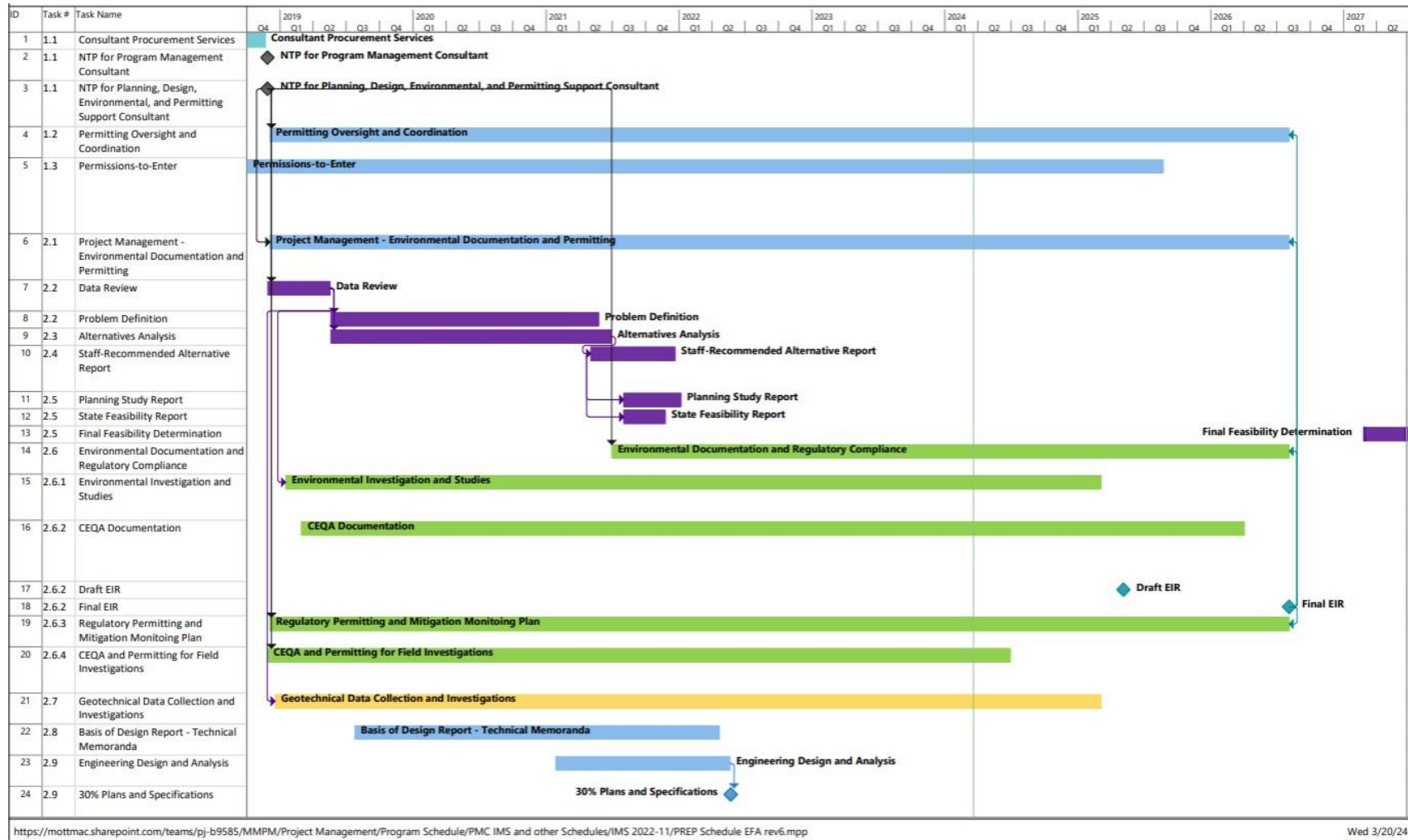
Task	Deliverable	Status	Date Delivered	LOT item #	Notes
2.6.1	Final TM for existing environmental conditions	complete	5/16/2024	77-80	Several of the TM's were never finalized and were instead incorporated into the Draft EIR. For such items we refer to the corresponding EIR chapters and appendices where this information is included in the LOT. Any TM's that were finalized are listed separately in the LOT. Please also note that some cultural documentation is considered confidential and is not included in the shared documents.
2.6.1	Final TM for field investigations for biological investigations, cultural investigations, and numerical modeling tools	complete	5/16/2024	81-96	
2.6.1	Final TM for aesthetics, Phase 1 hazardous substance assessment, transportation/traffic, and noise/vibration	complete	5/16/2024	97-101	
2.6.2	Draft Environmental Impact Report	in progress; Initial Draft Submitted	5/16/2024;	102-110	Recirculated EIR expected 2025
2.6.2	Final Environmental Impact Report	incomplete	Expected 2026		
2.6.2	Additional CEQA Documentation	incomplete	Expected late-summer 2024		
2.6.3	Final Mitigation Monitoring Plan Documentation	incomplete	Expected early 2026		
2.6.4	CEQA and regulatory permitting documentation for field investigations	partially complete	initial items submitted 7/14/2022; updates expected in 2025	7-12	
2.7	Final Geotechnical Investigation/Data Reports	partially complete	Phase 1 submitted 7/14/2022	5-6	Final Expected early 2026
2.8	Basic Criteria and Project Facilities TM	complete	2/9/2024	18	
2.8	30% Basis of Design Report	complete	2/9/2024	19-31	
2.9	Final 30% Level Plans	complete	2/9/2024	32	
2.9	Final 30% Level Specifications (outline of sections)	complete	2/9/2024	33	

Schedule

Planned Progress



Actual Progress



Expenditures

An expenditure summary is presented below in alignment with the approved amended budget. Date range in parenthesis corresponds to the billing period by the Planning, Design and Environmental Consultant included in the respective report's invoice to CWC, not necessarily the Invoice Period quarter.

Invoice No.	Invoice Period	Amount Invoiced	Amount Received	Amount Retained
1	FY2018 - FY2019 Q1 (Aug 2017 - OCT 2018)	\$322,801.18	\$290,521.06	\$32,280.12
2	FY2019 Q2 & Q3 (NOV 2018 - MAR 2019)	\$330,929.96	\$297,836.96	\$33,093.00
3	FY2019 Q4 (APR 2019 - JUN 2019)	\$767,769.18	\$690,992.26	\$76,776.92
4	FY2020 Q1 (JUL 2019 - SEPT 2019)	\$696,939.76	\$627,245.78	\$69,693.98
5	FY2020 Q2 (OCT 2019 - DEC 2019)	\$692,114.81	\$622,903.33	\$69,211.48
6	FY2020 Q3 (JAN 2020 - MAR 2020)	\$979,623.62	\$881,661.26	\$97,962.36
7	FY2020 Q4 (APR 2020 - JUN 2020)	\$3,114,386.42	\$2,802,947.78	\$311,438.64
8	FY2021 Q1 (JUL 2020 - SEPT 2020)	\$1,757,016.81	\$1,581,315.13	\$175,701.68
9	FY2021 Q2 (OCT 2020 - DEC 2020)	\$1,107,863.59	\$997,077.23	\$110,786.36
10	FY2021 Q3 (JAN 2021 - MAR 2021)	\$683,680.79	\$615,312.71	\$68,368.08
11	FY2021 Q4 (APR 2021 - JUN 2021)	\$1,058,740.14	\$952,866.13	\$105,874.01
12	FY2022 Q1 (JUL 2021 - SEPT 2021)	\$1,489,862.49	\$1,340,876.24	\$148,986.25
13	FY2022 Q2 (OCT 2021- DEC 2021)	\$1,780,339.14	\$1,602,305.22	\$178,033.92
14	FY2022 Q3 (JAN 2022- MAR 2022)	\$1,104,551.95	\$994,096.76	\$110,455.19
15	FY2022 Q4 (APR 2022- JUNE 2022)	\$1,708,374.19	\$1,537,536.77	\$170,837.42
16	FY2023 Q1 (JULY 2022- SEPT 2022)	\$1,271,531.26	\$1,144,378.13	\$127,153.13
17	FY2023 Q2(OCT 2022- DEC 2022)	\$1,684,581.78	\$1,516,123.60	\$168,458.18
18	FY2023 Q3 (JAN 2023- MARCH 2023)	\$214,673.26	\$193,205.94	\$21,467.32
19	FY2023 Q4 (APR 2023- JUNE 2023)	\$856,142.76	\$770,528.49	\$85,614.27
20	FY2024 Q1 (JULY 2023- SEPT 2023)	\$1,123,765.64	\$1,011,389.08	\$112,376.56
21	FY2024 Q2 (OCT 2023- DEC 2023)	\$1,454,311.00	\$1,308,879.90	\$145,431.10
	TOTALS	\$24,199,999.73	\$21,779,999.76	\$2,419,999.97

Next Steps

Valley Water continues to develop the Pacheco Reservoir Expansion Project environmental documentation and design. Contracts for public benefits are expected to be completed in 2025. It is anticipated that a Final Full Funding Agreement with the CWC can be entered in mid-2027. The construction contract is planned to be awarded in June 2027, with construction to start late 2027.