



**NOTICE OF  
ENGINEERING/ENVIRONMENTAL  
COMMITTEE  
MEETING  
August 8, 2022**

**NOTICE IS HEREBY GIVEN** that the San Lorenzo Valley Water District has called a meeting of the Engineering/Environmental Committee to be held on **Monday, August 8, 2022, 10:00 a.m.**, via video/teleconference.

There will not be any physical location for this meeting. Pursuant to AB 361 and San Lorenzo Valley Water District Resolution No. 4 (21-22) this meeting will be conducted by video/teleconference. Any person in need of any reasonable modification or accommodation in order to participate in the meeting may contact the District Secretary's Office at (831) 430-4636 a minimum of 72 hours prior to the scheduled meeting. The meeting access information is as follows:

<https://meet.goto.com/311047461>

You can also dial in using your phone.

(For supported devices, tap a one-touch number below to join instantly.)

United States (Toll Free): 1 866 899 4679

- One-touch: <tel:+18668994679,,311047461#>

United States: +1 (571) 317-3116

- One-touch: <tel:+15713173116,,311047461#>

Access Code: 311-047-461

**AGENDA**

1. Convene Meeting/Roll Call

2. Oral Communications

*This portion of the agenda is reserved for Oral Communications by the public for items which are not on the Agenda. Please understand that California law (The Brown Act) limits what the Board can do regarding issues raised during Oral Communication. No action or discussion may occur on issues outside of those already listed on today's agenda. Any person may address the Committee at this time, on any subject that lies*

*within the jurisdiction of the District. Normally, presentations must not exceed five (5) minutes in length, and individuals may only speak once during Oral Communications. Any Director may request that the matter be placed on a future agenda or staff may be directed to provide a brief response.*

3. New Business:

*Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.*

A. PIPE AND RELATED MATERIALS AVAILABILITY

Review and discussion by the Committee regarding the availability of pipe and related materials for construction.

4. Unfinished Business:

*Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.*

A. ENGINEERING PROJECTS UPDATE

Review and discussion by the Committee regarding Engineering projects updates.

B. ENVIRONMENTAL PROJECTS UPDATE

Review and discussion by the Committee regarding Environmental projects updates.

5. Informational Material

Here is a link to previous Engineering/Environmental Committee meeting minutes: [All Engineering/Environmental Committee Meeting Minutes | San Lorenzo Valley Water District \(slvwd.com\)](#)

6. Adjournment

*Agenda documents, including materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents may also be available on the District website at [www.slvwd.com](http://www.slvwd.com) subject to staff's ability to post the documents before the meeting.*

**Certification of Posting**

I hereby certify that on August 8, 2022, I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California, said time being at least 72 hours in advance of the meeting of the E & E Committee of the San Lorenzo Valley Water District in compliance with California Government Code Section 54956.

Executed at Boulder Creek, California, on August 8, 2022.

\_\_\_\_\_  
Holly B. Hossack, District Secretary

## MEMO

To: Engineering and Environmental Committee  
From: District Engineer  
Subject: Pipe and Related Materials Availability  
Date: July 29, 2022

### **Executive Summary:**

Pipe and other materials are currently subject to order backlogs exceeding 9-months. Staff recommend discussion of possible direct purchase of materials to reduce delays for future projects.

### **Materials Delays:**

Current market conditions have led to severe shortages of ductile iron pipe (DIP) and related materials, including valves, fittings, and other appurtenances. These shortages are driven by a number of factors, including Covid-related staffing issues at manufacturing facilities, raw materials availability problems, shipping delays such as lack of available trucking, and reduced availability of other pipe materials such as polyvinyl chloride (PVC) and high density polyethylene (HDPE).

Recent District projects have been subject to these materials delays. Specifically:

1. Quail Hollow Pipeline was subject to a materials delay of 120-days;
2. Alta Via Pipeline has not yet received materials, the delay is currently expected to reach 180-days, but may exceed that – a recent phone call with Ferguson Waterworks, the primary pipe supplier in this area, indicated that delays are increasing, not decreasing, and that this project may see an additional 60-days or even 90-days delay in materials availability;
3. The low bid on the recently closed 2021 CIP Pipeline project includes a materials quote which notes a lead time of 40-weeks (280-days, ~9.5-months). This lead time was confirmed in a phone call with Ferguson Waterworks.

### **Cost Escalation:**

The District has recently begun including the following cost protection language in the General Conditions for requests for proposals (RFPs):

*4.5 Material Escalation. If, during the acquisition of materials for performance of the Contract, the Contractor experiences a Significant Price Increase (defined below) of the price of pipe, fittings and appurtenances, through no fault of the Contractor, the Contract*

*Price shall be equitably adjusted by an amount calculated pursuant to this Section 4.5. As used herein, a Significant Price Increase shall mean an increase in the price of pipe, fittings and appurtenances that exceeds five percent (5%), as demonstrated by the Contractor by providing documentation of the change in the US Producer Price Index: Material Recyclers: Ferrous Metal Scrap showing at least a five percent (5%) increase from date of Contractor's Bid submittal to the date of material invoicing by the Contractor's supplier. Upon demonstrating the existence of a Significant Price Increase, the Contractor shall be entitled to a Contract Price adjustment in an amount calculated by the District by determining the price difference between the Contractor's price assumptions for pipe, fittings and appurtenances, as documented with valid quotes from suppliers submitted by Contractor with the Bid, and Contractor's actual supplier invoices for the Project. Any such Contract Price adjustment shall not include any increase in Contractor overhead nor profit. Valid quotes from suppliers used to support Contractor's price assumptions in the Bid submittal must, at a minimum, show the supplier's unit prices for the specific types of pipe, fittings and appurtenances to be used in the Project. In order to seek and be entitled to any Contract Price adjustment under this Section 4.5, the Contractor must demonstrate to the District's reasonable satisfaction that the Contractor took affirmative steps to place orders, take delivery and/or seek price lockdowns on the applicable pipe, fittings and appurtenances in order to limit the impact of such price escalation on the Project.*

As shown above, the allowable price escalation is tied to the *US Producer Price Index: Material Recyclers: Ferrous Metal Scrap* price. While this provides some protection to the District, staff recommend consideration of direct purchase of materials by the District.

### **Direct Purchase:**

One alternative strategy is for the District to evaluate upcoming project materials needs and purchase these materials directly from Ferguson Waterworks or another supplier. This would present both advantages and disadvantages, as noted below:

#### **Advantages:**

1. Purchase of materials as early in the design process as possible would result in a reduction in the lag time between award of construction contract and start of work. This would likely advance construction start times by a minimum expectation of 60-days, and a maximum reduction expectation of 12-days. This would be dependent on scope of project and ability to determine precise quantities required during design;
2. Material prices are continuing to increase, earlier purchase would likely result in lower materials costs; and
3. Direct purchase of materials by the District eliminates contractor markup.

Disadvantages:

1. District purchase of materials for use by contractors requires additional coordination to ensure that material availability and contractor crew availability coincide;
2. Contracts would need additional language to cover contractor coordination;
3. RFPs would need to include bid items for contractor handling of District-owned pipe (staging, transportation to job site, etc.);
4. RFPs would need to include a bid item for installation of pipe and fittings from District inventory (excavation, placement, and backfill); and
5. District purchase of materials would open the District to a possible situation where required fittings are not in hand, particularly if the contractor is suggesting a change to the plan set or there has been a revision after materials were ordered, possibly leading to a change order and District exposure for any delays to the project resulting from non-ordered materials.

Recommendation:

Staff recommend that the Engineering and Environmental Committee discuss the ramifications of possible mitigations of current market-driven delays and cost increases.

## MEMO

To: Chair, Engineering and Environmental Committee  
From: District Engineer  
Subject: Engineering Project Summary Cover  
Date August 8, 2022

### Executive Summary:

Staff have prepared the attached project summary and will provide highlights of particular interest to the Committee in this Memo.

Staff will be prepared to discuss any of the projects, to whatever depth the Committee desires.

### Project Highlights:

1. 2021 CIP Pipeline Construction bids have been received and a low bidder identified (JMB Construction), staff are researching JMB prior to recommending award.
2. 2021 FEMA Pipeline project is being split into two projects.
3. Sandis Civil Engineers is continuing survey and design work related to consolidation of Bracken Brae and Forest Springs. Note that this project scope has changed in order to take advantage of Sandis' mobilization and get Bracken Brae areas outside of the original scope surveyed, Bracken Brae will fund additional costs.
4. Fall Creek Fish Ladder work has stopped and the project will be re-bid
5. Glen Arbor Bridge pipeline work stopped due to subcontractor issues, scheduled re-start is August 8, 2022.
6. Foreman Access Trail Rehabilitation received only one bid, Staff will re-publish.

Please see the complete project summary for further detail on these and other projects.

E & E Comm: 8.8.22  
Item: 4A

## Engineering Department Project Calendar August 2022


		August	September	October
1	2021 Pipeline - Capital Improvement			
		Bids received July 27, staff are researching low bidder		
2	2021 Pipeline - FEMA			
		Sandis working on splitting into two separate projects		Out to Bid in September
3	5-Mile and Peavine Pipelines			
		HKA has begun work on Peer Review of Constructibility Study		
4	Alta Via Pipeline			
		Working on Submittal review and prelim tasks		Material availability expected early December
5	Brookdale Tank Recoating			
		RFP delayed until FY 22/23 due to budget shortfall		
6	CA-9 Bridges Project			
		Revised plans have been submitted to CalTrans		
7	Consolidation of Bracken Brae and Forest Springs			
		Currently surveying and working on easements		
8	Fall Creek Fish Ladder			
		Contractor unable to complete project, will republish RFP for 2023		
9	Felton Acres Pressure Tank			
		Summer investigation to evaluate Pine/McCloud service potential		

Index:	In Design	Out to Bid	Pre Construction
	In Construction	Post Construction	N/A



E & E Comm: 8.8.22  
Item: 4A

## Engineering Department Project Calendar August 2022

		August	September	October
10	Felton Heights Tank			
		Working to obtain agreement to replace tank, w/ homeowner		
11	Foreman Grading & Erosion Control			
		Only one Bid received at bid opening, project to be republished for bidding		
12	Glen Arbor Bridge			
		Construction began June 16. Bridge Sub has recently pulled out		
13	Huckleberry Island Main Reroute			
		Staff working with property owners to finalize easements		
14	Lyon Complex Access Road			
		Staff are coordinating with CalOES and FEMA regarding road approval		
15	Lyon Pipeline Replacement			
		Staff have provided comments to Sandis for design		
16	Quail Hollow Pipeline			
		Construction started on 4/11/22		Anticipate completion in early October
17	Redwood Park Tank			
		RFP to be published this month		

Index:	In Design	Out to Bid	Pre Construction
	In Construction	Post Construction	N/A

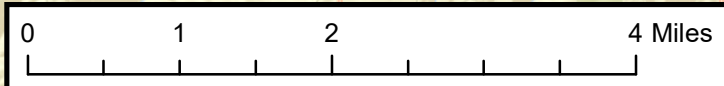
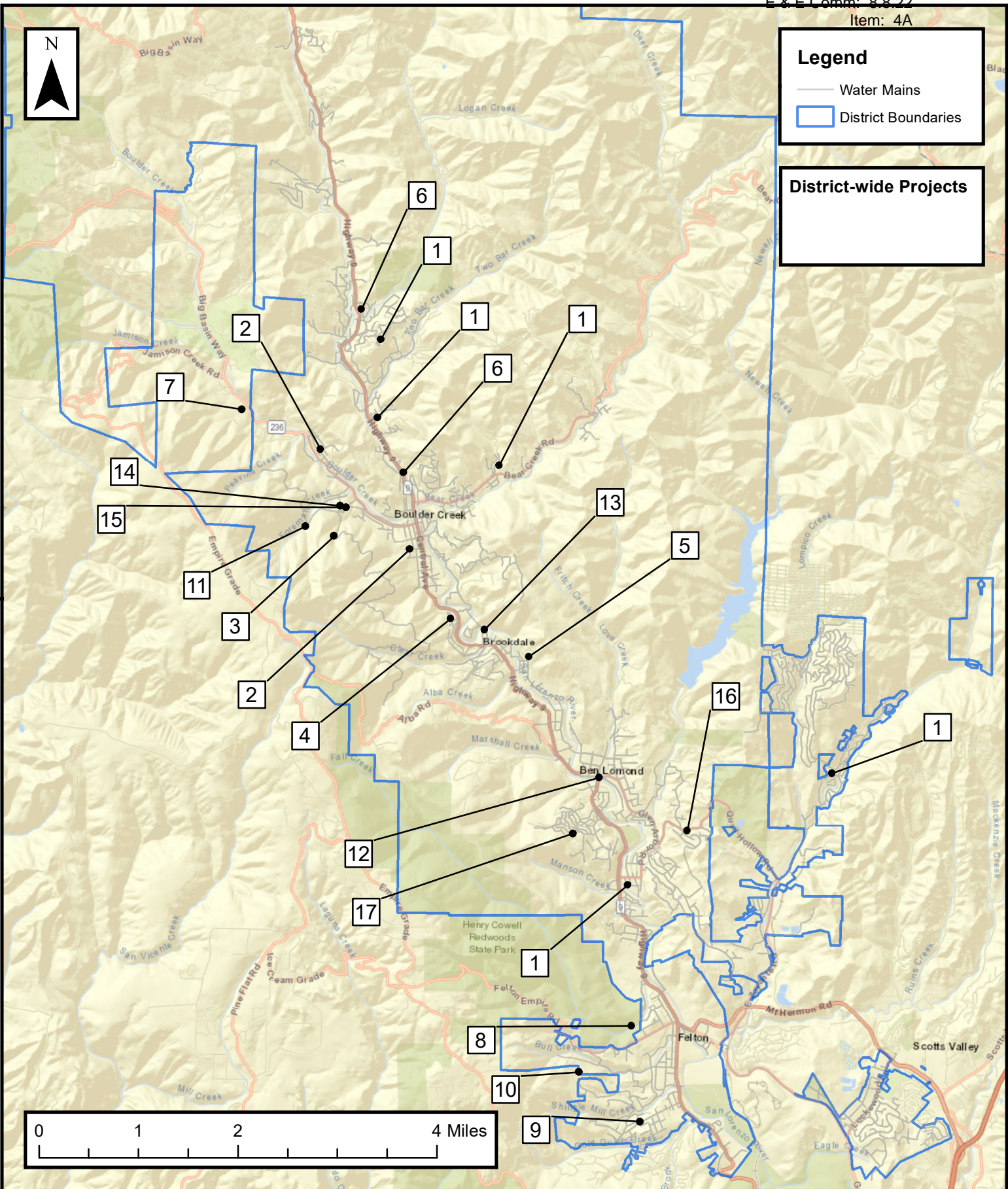
Current as of:	8/3/2022	Disclaimer:	Dates on this calendar are approximated given current information, and are expected to change due to unforeseen circumstances and project variability.
----------------	----------	-------------	--



**Legend**

- Water Mains
- District Boundaries

**District-wide Projects**



<p>San Lorenzo Valley WATER DISTRICT</p>	Date: 8/3/2022	<p>Engineering Calendar Project Map - August 2022 4 of 4</p>	<p>13060 Hwy 9 Boulder Creek, CA 95006</p>	<p>1 of 1</p>
	Scale: 1:80,000			
	Drawn By: JWS			
	Approved By: JLW			

## MEMO

To: Chair, Engineering and Environmental Committee  
From: Environmental Programs Manager  
Subject: Environmental Project Summary  
Date August 8, 2022

### Executive Summary:

Staff have prepared the attached project summary and will provide highlights of particular interest to the Committee in this Memo.

Staff will be prepared to discuss any of the projects, to whatever depth the Committee desires.

### Project Highlights

1. Environmental review Request for Proposals (RFP) released for consolidation of Bracken Brae and Forest Springs. RFP will close on August 17<sup>th</sup>, 2022.
2. Fall Creek Fish Ladder project has been postponed and will be rebid. Staff is working to alert permitting agencies but all permits will stand through the new project timeline. The grant funding will also be available until 2024.

### Current Projects

1. CIP Project Permitting
  - a. Lyon Treatment Plant Access Road Slide (FEMA funded - 2023)
    - i. CALOES agreed with alternate access route
    - ii. Waiting FEMA approval for alternate access route
    - iii. Permitting process to kick-off once alternative route approved
  - b. 5-mile and Peavine pipeline
    - i. Development of Request for Qualifications (RFQ) for environmental permitting pending geotechnical peer-review
  - c. HUD pipeline replacement
    - i. CEQA NOE to be refiled with updated easement information.
    - ii. Staff working to secure easements
  - d. Blue Ridge Tank
    - i. CEQA kick-off held in June 2022
    - ii. Drafted project description in review by staff
    - iii. Forester scheduled to complete tree/vegetation surveys
  - e. Bracken Brae & Forest Springs Consolidation

- i. Request for Proposal (RFP) for environmental permitting released.
    - f. Big Basin Water Consolidation
      - i. Meetings with state, county, and federal agencies to determine potential funding sources
      - ii. Boil water notice active for 25 connections
    - g. Fuel Reduction Annual Maintenance Contract
      - i. Staff prepared a RFP for on-going maintenance of fuel reduction around critical infrastructure. Pending release.
    - h. Felton Heights Tank
      - i. Development of Request for Qualifications (RFQ) for environmental permitting in process
    - i. Fall Creek Fish Ladder
      - i. Project postponed
      - ii. Salvaged plants from site to be donated to library system
      - iii. Staff alerting all permitting agencies
      - iv. Block nets removed. Will need to replace flashboards.
2. Urban Water Management Plan
  - a. Approved by state
3. Sanitary Survey
  - a. Staff working with the City of Santa Cruz to complete an updated Sanitary Survey
4. Grants
  - a. Cal OES Hazard Mitigation Grant Program (HMGP)
    - i. Subapplications submitted April 8<sup>th</sup>, 2022
    - ii. Awaiting approval of County MOU
  - b. California's Department of Fish & Wildlife's Proposition 1 Restoration Grant Programs
    - i. Application submitted in March 2022
    - ii. ~1 million for the Fall Creek Fish Ladder construction project
  - c. CAL FIRE's Fire Prevention Grant
    - i. Pump house hardening request - not awarded
    - ii. Fuel reduction - awarded
  - d. Coastal Conservancy Wildfire Resiliency Grant
    - i. Not awarded
5. Conjunctive Use Planning
  - a. Regulatory agency permitting (including diversion permitting) in progress
  - b. Project description draft completed and reviewed by Board of Directors (BoD) on 8/4/22
6. All other projects, outreach, and further project descriptions will be available in the August Environmental Status Report as part of the BoD agenda