



COUNCIL AGENDA: 4-26-05

ITEM: 7.2

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Carl W. Mosher

SUBJECT: SEE BELOW

DATE: 4-6-05

Approved

Key Winer

Date

4/7/05

COUNCIL DISTRICT: 8

**SUBJECT: SOUTH BAY WATER RECYCLING PROGRAM SJ11 - ZONE 3 RESERVOIR
AND PIPELINE PROJECT**

RECOMMENDATION

Report on bids and award of contract for the construction of South Bay Water Recycling Program (SBWRP) SJ11- Zone 3 Reservoir and Pipeline Project to the low bidder, Proven Management, in the amount of \$9,384,040 and approval of a contingency in the amount of \$900,000.

BACKGROUND

In 1998 the San José City Council approved a SBWRP Phase 2 expansion plan that included a master-planning process to identify near-term and long-term improvements to identify the most appropriate area and types of expansion to the South Bay Water Recycling Program system. An advisory board was formed to participate in the development of all Phase 2 facilities, including the Zone 3 Reservoir and Pipeline Project. The advisory board panel consists of representatives from a number of public and private agencies and organizations, such as the Silicon Valley Manufacturers' Group, Santa Clara County Medical Association, and League of Women Voters. ESD Marketing and Communications group supported public outreach for the proposed facility.

On June 26 of 2001, the City Council approved the SBWRP Near-term Development Plan, which includes the subject project. This project will provide a 5.5 million gallon recycled water storage facility needed to increase the reliability of the recycled water system and supply recycled water to the existing customers during periods of peak demand.

On July 25 of 2001, the City Council approved an agreement with Brown and Caldwell for Professional Engineering Services to provide the design service for the storage facility. The site for the SBWRP SJ11- Zone 3 Reservoir and Pipeline Project, which is located in Silver Creek area off Yerba Buena Road, was obtained in January of 2005.

The SBWRP SJ11- Zone 3 Reservoir and Pipeline Project consists of constructing a 5.5 MG recycled water storage facility consisting of two 2.75 million gallons partially buried concrete reservoirs, installation of approximately 11,000 linear foot of 24-inch diameter and 18-inch diameter recycled water pipelines, associated electrical and instrumentation equipment and an access road from Yerba Buena Road to the reservoir site.

Construction is scheduled to begin in May of 2005 with completion in November of 2006.

ANALYSIS

Bids were opened on March 29, 2005 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Over/(Under) Variance Amount</u>	<u>Over/(Under) Percent</u>
Mountain Cascade, Inc. (Livermore)	\$9,875,531.00	\$953,966	10.69
Proven Management (San Francisco)	\$9,384,040.00	\$462,475	5.19
Engineer's Estimate	\$8,921,565.00		

The low bid submitted by Proven Management is 5.19% over the Engineer's Estimate. Staff considers this reasonable for the work involved.

OUTCOME

Award of the SBWRP SJ11- Zone 3 Reservoir and Pipeline Project and approval of the contingency funding will enable the construction of this project which will increase the reliability of the recycled water system and supply recycled water to the existing customers during periods of peak demand.

PUBLIC OUTREACH

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memo has been coordinated with the Departments of Environmental Services, Planning, Building and Code Enforcement, Finance, the City Attorney's Office, the City Manager's Budget Office, the Office of Council District 8, and was heard by the Treatment Plant Advisory Committee at its April 14, 2005 meeting.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$ 9,384,040

2. COST OF PROJECT:

Project Delivery	\$ 1,000,000
Land	7,800,000
Consultant Services	3,100,000
Construction	9,384,040
Contingency	<u>900,000</u>
TOTAL PROJECT COSTS	\$22,184,040
Prior Year Expenditures	\$ 576,360
REMAINING PROJECT COSTS	\$21,607,680

2. SOURCE OF FUNDING: 512- San José/Santa Clara Treatment Plant Capital Fund

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

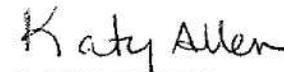
BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. For Contract	2004-2005 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$21,607,680			
Current Funding Available						
512	6589	Revised SBAP-SBWR Extension	\$30,321,000	\$9,384,040	Page V-260.	10/12/04 Ord. No.27267
Total Current Funding Available			\$30,321,000	\$9,384,040		

CEQA

Mitigated Negative Declaration, File No. PP00-05-072 and addendum thereto. The mitigated negative declaration and addendum identifies a number of mitigations that need to be implemented in order to address the environmental impacts. These mitigation measures and their manner of implementation are identified in the Mitigation Monitoring and Reporting Program for the project. These mitigation measures have been incorporated into the project design and the construction documents. As part of today's action, staff is requesting Council to approve these mitigation measures and their manner of implementation, as set forth in the Mitigation Monitoring and Reporting Program, and direct the implementation of these mitigation measures as part of the project.


 CARL W. MOSHER
 Director of Environmental Services


 KATY ALLEN
 Director, Public Works Department

HF:PD:ew

(ry033005CM.SouthBayWater.doc/R&B)

June 17, 2009



Department of Planning, Building and Code Enforcement

STEPHEN M. HAASE, AICP, DIRECTOR

ADDENDUM TO A MITIGATED NEGATIVE DECLARATION

Pursuant to Section 15164 of the CEQA Guidelines, the City of San Jose has prepared an Addendum to a Mitigated Negative Declaration (MND) adopted for a previous project. Because minor changes made to the project described below do not raise important new issues about the effects on the environment, this project is adequately covered by this Addendum to the Mitigated Negative Declaration from the previous project.

PROJECT DESCRIPTION AND LOCATION

PD03-077. Planned Development Permit for a project located at the northeast corner of Yerba Buena Road and Old Yerba Buena Road on a 17.16-gross-acre site in the A(PD) Planned Development Zoning District for the construction of 2 reinforced concrete recycled water tanks, pipelines and an access road. Council District 8.

County Assessor's Parcel Number 660-19-005; -020, -021

CERTIFICATION

The environmental impacts of this project were addressed by an Initial Study and documented by a Negative Declaration for Phase 2 of the South Bay Water Recycling Program, File No. PP00-05-072, and certified as final on July 12, 2000. This Initial Study/Mitigated Negative Declaration was tiered off the 1992 EIR for the San José Non-Potable Reclamation Project. Specifically, the following impacts were reviewed and found to be adequately considered by the MND:

- | | | |
|---|---|---|
| <input type="checkbox"/> Traffic and Circulation | <input checked="" type="checkbox"/> Soils and Geology | <input checked="" type="checkbox"/> Noise |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Hazardous Materials | <input checked="" type="checkbox"/> Land Use |
| <input type="checkbox"/> Urban Services | <input checked="" type="checkbox"/> Biotics | <input checked="" type="checkbox"/> Air Quality |
| <input checked="" type="checkbox"/> Aesthetics | <input type="checkbox"/> Airport Considerations | <input type="checkbox"/> Microclimate |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Relocation Issues | <input checked="" type="checkbox"/> Construction Period Impacts |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Utilities | <input type="checkbox"/> Facilities and Services |
| <input checked="" type="checkbox"/> Water Quality | <input type="checkbox"/> Flooding | <input type="checkbox"/> |

ANALYSIS:

Background

Since preparation of the May 2000 Initial Study/Environmental Assessment for the South Bay Water Recycling Program Phase 2 (hereafter described as the 2000 Initial Study) and adoption of the Negative Declaration in July 2000, final design has resulted in changes in the design of reservoir that was identified in that document as the Syntex Reservoir, located at the end of Old Yerba Buena Road. The reservoir and associated pipeline are now known as the Zone 3 Reservoir and Pipeline. The locations of both reservoir and pipeline are different than those originally proposed and evaluated in the 2000 Initial Study. The original location has the pipeline extending from Yerba Buena Road down Old Yerba Buena Road and a private driveway extending from the end of Old Yerba Buena Road. The reservoir location has been adjusted to avoid the trace of the Quimby fault based on a geotechnical study of the project site. The pipeline location was adjusted because access to the reservoir was not available on the private driveway.

The current pipeline alignment was developed based on the route requested by the property owner, Legacy Partners, who currently owns both the reservoir site and a portion of the pipeline route. A 2,940-foot-long temporary access road would follow the portion of the pipeline alignment that crosses the Legacy Partners property. The majority of the temporary access road would have a 15-foot-wide gravel surface. However, the road would need to be paved at the point where it connects with Yerba Buena Road and in the area immediately adjacent to the reservoir. Access to the reservoir would ultimately be provided through streets that would be developed by Legacy Partners as part of their development proposal for the site.

The Zone 3 reservoir would consist of two 2.75-MG reinforced concrete tanks located between Evergreen Creek and the driveway extending from the end of Yerba Buena Road. Each tank would be about 30 feet tall, with an inside diameter of 137 feet. Both tanks would be partially buried, with about 10 feet of the tank exposed. An access road would circle both tanks. The tanks are similar to those described in the 2000 Initial Study, but as a result of geotechnical studies it was determined that the tanks would have to be sited in an area that contains a number of trees. Tree removal was not anticipated in the May 2000 Initial Study.

The pipeline and reservoir do not serve additional users; thus no new impacts associated with application of recycled water would result from the changes in project design. Proposed recycled water operations are consistent with those described in the 1992 EIR (page 2-9) and 2000 Initial Study (page 1-9). Operation of the pipeline would be the same as described in previous environmental documents and would be similar to operation of the existing potable water distribution system, with the addition of safeguards for use of recycled water.

Evaluation of impacts thus focuses on the physical effects of constructing the facilities in the proposed revised locations.

Evaluation of Potential Impacts

Biological resource impacts do not differ from those discussed at a program level in Section 3.9 of the 1992 EIR (City of San Jose 1992) and 1996 EIS (U.S. Bureau of Reclamation 1996). Impacts do, however, differ from those discussed in the 2000 Initial Study (City of San Jose 2000).

Trees. Geotechnical studies of the reservoir site determined that to avoid a deformation zone of the Quimby fault, known as the Quimby fold, the reservoir had to be located in an area that contains a substantial number of oak trees. The location of the tanks, pipeline, and access road are dictated by the location of the Quimby fold, and constraints established by the property owner, Legacy Partners. However, the significant impact associated with loss of trees can be mitigated to less than significant by replacement of those trees.

Mitigation for loss of trees would comply with measures specified in Section 3.9 of the 1992 EIR:

- Trees under 12 inches diameter at breast height (dbh) would be replaced by one tree in a 15-gallon pot
- Trees 12 to 18 inches dbh would be replaced by two trees in 24-inch boxes
- Trees greater than 18 inches dbh would be replaced by four trees in 24-inch boxes

Native trees (oaks) would be replaced with trees of the same species, while the remaining trees, all of which are non-native, would be replaced by native species. A total of 52 trees would be planted, 45 coast live oaks, and 7 valley oaks. The area would be monitored and maintained for three years to ensure establishment of vegetation with a minimum 75 percent survival rate. Additional trees would be planted if necessary. With this mitigation impacts would be less than significant.

Riparian Habitat. Evergreen Creek, a seasonal stream contains riparian habitat, which is the only sensitive natural community on the project site. The emergency outlet from the reservoir would be constructed through the riparian habitat to the creek. The proposed design includes 100 linear meters (328 linear feet) of rock rip-rap armoring of the channel bottom and lower banks. The outlet structure has been located to avoid removal of riparian trees along Evergreen Creek. Approximately 100 square meters (1,111 square feet) of riparian habitat would be removed to provide erosion protection.

Mitigation would be consistent with that previously identified for construction of the emergency overflow outlet from Pump Station 8/11 to Silver Creek. The outlet structure would be constructed during the dry season, preferably between June and September, when no appreciable flow occurs in Evergreen Creek. The construction area would be limited to only that width necessary to install rip-rap. Trees and native shrubs to remain would be identified and protected with protective fencing adjacent to the construction corridor before clearing and construction.

If there is water flowing in Evergreen Creek, a temporary cofferdam would be installed, and any flow present would be diverted around the construction area during excavation and backfill operations. Trench water would be dewatered, if necessary to a temporary settling basin constructed of haybales and filter fabric. Since project construction involves more than 5 acres, a Storm Water Pollution Prevention Plan would be prepared and implemented. This plan would include drainage, erosion and sediment control measures to avoid sedimentation of Evergreen Creek. These measures would prevent any significant adverse effect to aquatic habitat.

Rip-rap armoring of the banks would be conducted to prevent channel erosion in the event the reservoir emergency overflow outlet is used. Disturbed banks above the rip-rap would be hydroseeded or hand seeded and mulched with a seed mix consisting of Zorro fescue (*Vulpia myuros* v. *Zorro*) or California brome (*Bromus carinatus*) for quick cover, and blue wildrye (*Elymus glaucus*) and meadow barley (*Hordeum brachyantherum*). California rose (*Rosa californica*) California blackberry (*Rubus ursinus*), coffeeberry (*Rhamnus californica*) and hollyleaf cherry (*Prunus ilicifolia*) would be planted on five foot, offset center from deep pots. The area would be monitored and maintained for at least three years to ensure establishment of this native vegetation, with a minimum 75 percent survival rates for shrubs and 90 percent ground cover including 50 percent (one-half) native grasses.

The modifications to the channel would require a Section 1601 Streambed Alteration Agreement from the California Department of Fish and Game and a Stream Encroachment Permit from the Santa Clara Valley Water District.

Wetlands and Waters of the U.S. Evergreen Creek is a water of the U.S.; there are no jurisdictional wetlands or waters on site. As noted above, approximately 100 square meters (1,111 square feet) of Evergreen Creek would be filled by rip-rap, which would be necessary to prevent potential channel erosion associated with the emergency outlet. The U.S. Army Corps of Engineers (USACE) would require notification of intent to construct the outlet structure under the terms of a Nationwide Permit pursuant to Section 404 of the Clean Water Act. The project most likely would fall under Nationwide Permit 39. The measures described above for restoration of riparian habitat would be incorporated into the Nationwide Permit as specific conditions and the as-built restoration plan and third-year monitoring report documenting that the success criteria have been met would have to be provided to the USACE. The project would also require a Section 401 Water Quality Certification from the Regional Water Quality Control Board.

If the USACE did not take jurisdiction over Evergreen Creek as a water of the U.S., the creek would be considered a water of the state. Pursuant to the Porter-Cologne Water Quality Control Act (California Water Code, Division 7), the Regional Water Quality Control Boards of the state have jurisdiction over waters of the State. The Regional Board regulates any fill of isolated

wetlands, vernal pools, or stream banks above the ordinary high water mark. Activities in waters of the State that lie outside the jurisdiction of the USACE require the issuance, or waiver, of waste discharge requirements from the Regional Board. Mitigation for restoration of riparian habitat would also apply to areas under state jurisdiction.

Riparian Corridor Analysis. The proposed pipeline and temporary access/maintenance road for the Zone 3 Reservoir would be located immediately inside the 100-foot riparian setback from Evergreen Creek. Where the road edge can be located directly on the setback boundary, it would extend about 15 feet into the riparian setback. However, because of the irregular shape of the setback and the need to maintain a relatively straight alignment, the road would encroach further into the setback in areas where the riparian canopy extends out from the top of the creek bank. The temporary gravel road would extend up to 44 feet into the setback at the point where it is closest to the creek. In the immediate vicinity of the reservoir, about 1,100 square feet of paved access road would be within the riparian corridor setback.

A Parsons senior biologist visited the project site on April 11, 2003 to conduct a tree survey of the site, and to determine the extent of the riparian corridor. It was determined that the riparian setback as mapped by surveyors was accurate, and that none of the trees that would be affected by the project were part of the riparian corridor. The proposed utility easement is within the outside edge of the riparian setback (the area furthest from Evergreen Creek), but does not affect any existing riparian habitat. The portion of the setback where the easement is proposed is currently disked regularly, and supported only ruderal vegetation at the time of the survey.

The project area is within the City's Urban Service Area boundary. For areas within this boundary the City's Riparian Corridor Policy states that "significant creeks and natural riparian corridors ... should be preserved whenever possible. When disturbances cannot be avoided, appropriate measures should be required to restore, or compensate for damage to, the creeks of riparian corridors." The project would not result in permanent damage to the riparian corridor, and mitigation is proposed above for the short-term construction impacts associated with constructing the emergency outlet to Evergreen Creek.

Construction of the pipeline and temporary maintenance road just within the riparian setback would be allowed based on the presence of the following conditions, which are cited in the City's Riparian Corridor Development Guidelines as circumstances that may warrant consideration of setbacks:

- Site adjacent to small lower order tributaries whose riparian influence does not extend to 100 feet
- Utility or equipment installations ..., which involve no significant disturbance to the riparian corridor during construction and generate only incidental human activity

Construction impacts would be minimal because there is no existing riparian habitat within the riparian corridor setback, which is currently cultivated. Daily use of the maintenance road for a supervisory visit to the reservoir site until permanent access from a street is available would not be expected to have adverse effects on the adjacent riparian habitat. Thus the project does not have any effects on riparian habitat associated with the location of the pipeline and maintenance road just inside the riparian setback.

Mitigation is proposed above for impacts to riparian habitat associated with construction of the emergency overflow. In addition, the proposed planting plan for the reservoir site will be modified to include plantings in the riparian corridor setback area. These plantings will be designed to buffer the riparian area from the reservoir site. At least 1,100 square feet of riparian plantings would be included in the project to compensate for the 1,100 square feet of paved access road that would be located within the riparian corridor setback.

Explanation of Decision re to Prepare Subsequent Negative Declaration

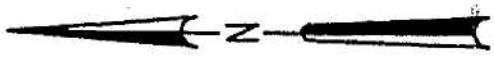
The proposed Zone 3 Reservoir and Pipeline would not result in any new environmental impacts that were not previously identified in certified or adopted environmental documents. The project will comply with all appropriate mitigation measures that have already been identified and incorporated into the SBWR Mitigation Monitoring Program. The minor changes made to the project by the Zone 3 Reservoir and Pipeline do not raise important new issues about significant impacts on the environment. Mitigation has been incorporated to address potential impacts and reduce them to a less than significant level, except for impacts related to construction-period noise impacts and potential growth inducing impacts. These significant impacts on the environment were fully addressed in the 1992 EIR and findings have already been made for the significant construction-period noise impacts and for the potential growth inducing effects of the program as a whole. The minor changes in the pipeline alignment and reservoir location would not result in new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The circumstances under which the project would be undertaken have not changed measurably, and there is no new information that would change the previous conclusions regarding the significance of impacts.

John W. Baty
Project Manager

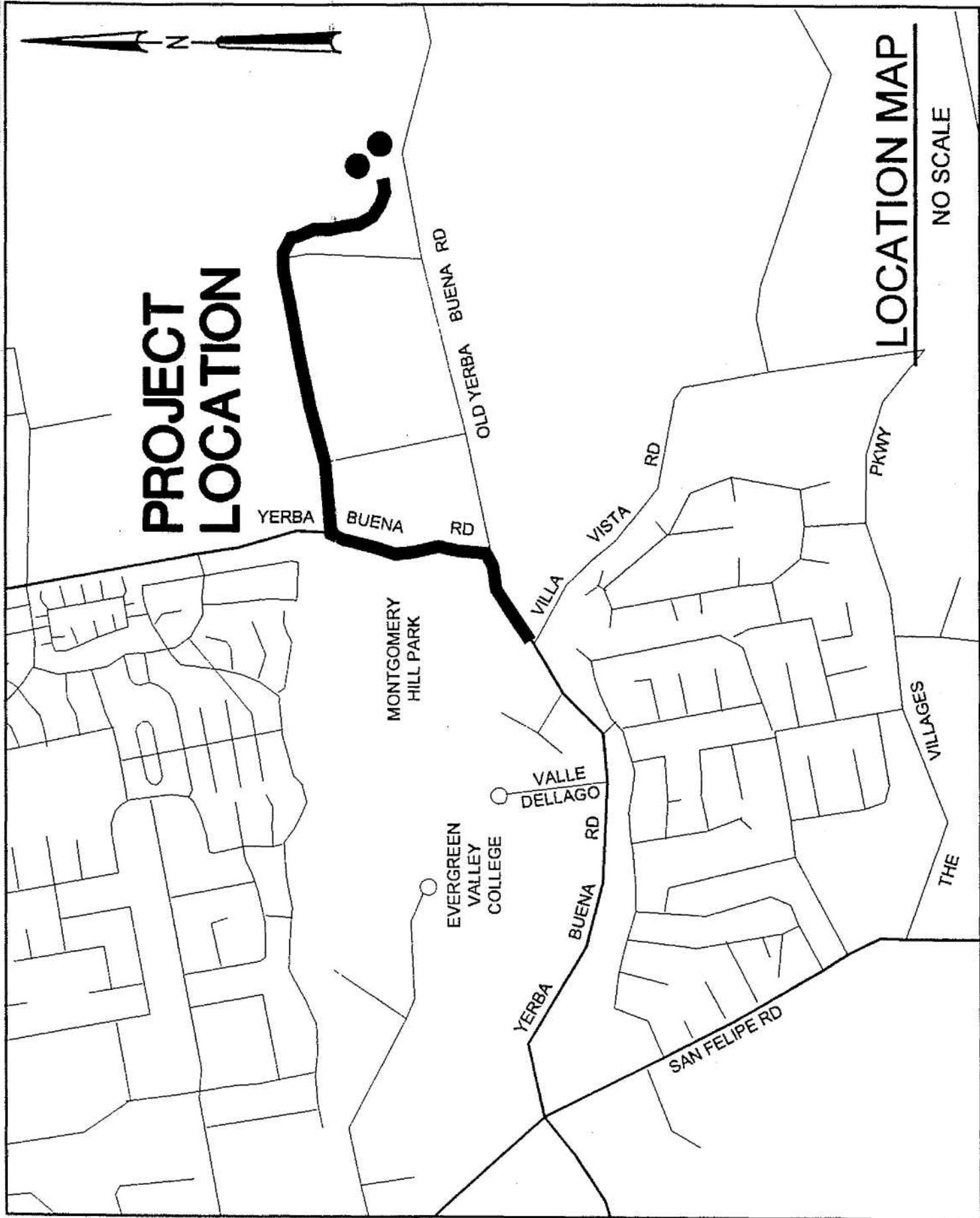
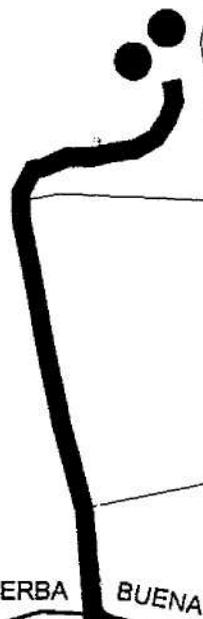
Stephen M. Haase, AICP
Director, Planning, Building and Code Enforcement

June 17, 2004
Date

Altoni Samuelson
Deputy



PROJECT LOCATION



LOCATION MAP

NO SCALE