An aerial photograph showing a city with a grid street pattern, surrounded by green and brown hills. In the foreground, there are several large, rectangular water treatment ponds with blue and green water. The sky is clear and blue.

The Regional Groundwater Facilities Improvement Project Phase II – Update

Zone 7 Board Meeting

May 20, 2026

Supporting Strategic Goals and Initiatives

Strategic Goals



Initiatives

5

Develop a diversified water supply plan and implement supported projects and programs

9

Implement the PFAs Management Strategy

11

Manage the Groundwater Sustainability Agency and implement the Groundwater Sustainability Plan

Topics of Discussion

- Project Overview
- Project Workflow
- Proposed Terms Agreement
- Q&A



Regional Groundwater Facilities Improvement Project – Phase II

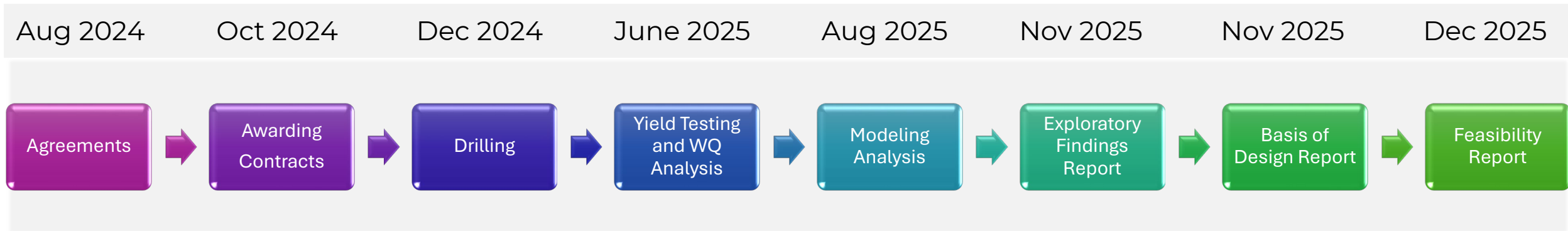


Key Elements

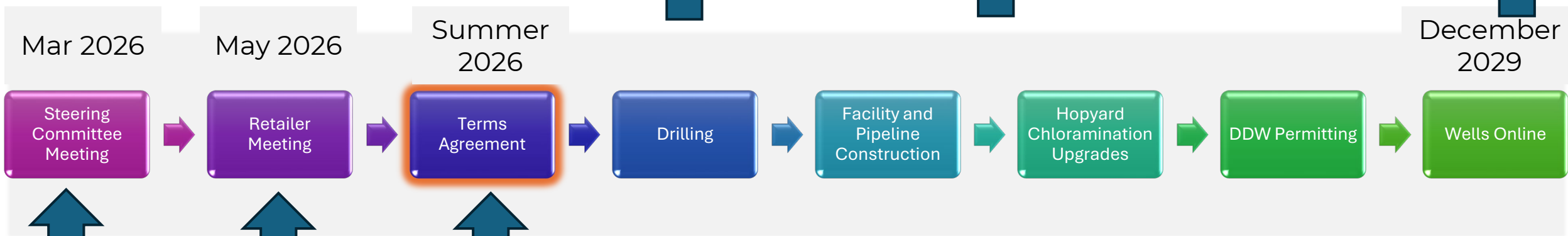
- Tennis Park Well
- Hansen Park Well
- New pipeline (3,970 LF)
- Improvements to Hopyard Chloramination Facility

Project Workflow

PHASE I



PHASE II



Production Capacity (Average Year)

Production Capacity	Tennis Park	Hansen Park	Total
Facility Flow Rate (MGD)	6.1	5.5	11.6
Annual Production (AFY)	5,100	4,600	9,700

Estimated Project Cost (AACE Level 4)

Cost Item	Cost (rounded)
Mobilization	\$800,000
Transmission Main (DIP)	\$2,400,000
Tennis Park Well Drilling and Casing Installation	\$2,000,000
Tennis Park Well Facility	\$3,850,000
Hansen Park Well Drilling and Casing Installation	\$2,000,000
Hansen Park Well Facility	\$3,850,000
Chloramination Upgrades	\$1,000,000
Direct Cost Subtotal	\$15,900,000
Sales Tax (10.25% on Half the Direct Cost)	\$820,000
Contingency (30%)	\$5,020,000
Escalation to Mid-Point (5% With Mid-Point in August 2027)	\$2,140,000
General Conditions, Contractor Overhead and Profit (15%)	\$3,590,000
Construction Change Order Allowance (10%)	\$2,750,000
Total Estimated Construction Cost⁽¹⁾	\$30,220,000
Estimated Low Range Construction Cost Total (-30%)	\$21,160,000
Estimated High Range Construction Cost Total (+50%)	\$45,330,000
Engineering, Legal, and Administration (40%)	\$12,088,000
Total Estimated Project Cost⁽²⁾	\$42,308,000

Notes:

(1) Indirect cost factors are applied to the running subtotal of direct costs plus preceding indirect cost.

(2) Cost estimate developed in December 2025; used ENR CCI 15276 (May 2025).

Cost Breakdown

Project	Zone 7 Share	City Share	Total Cost
Supply Wells and Pipelines	\$26.25 million	\$14.75 million	\$41 million
Hopyard Chloramination Facility Upgrade	\$770,000	\$230,000	\$1 million
TOTAL	\$27 million	\$15 million	\$42 million

Phase III – Operations and Maintenance

- The new wells will be integrated into Zone 7's water distribution system
- Zone 7 will own, operate, and maintain the wells, including system upgrades to meet future water quality standards
- Zone 7 will produce Pleasanton's groundwater pumping quota (GPQ) of 3,500 acre-feet per year
- Pleasanton will reimburse Zone 7 cost of producing 3,500 acre-feet, similar to Zone 7's pumping of DSRSD's GPQ
- Zone 7 will continue to manage the basin sustainably in compliance with the Sustainable Groundwater Management Act

Summary

- Phase I consisted of a Feasibility Study and BODR
- The preferred project was identified as the installation of two production wells (Tennis Community Park and Hansen Park)
- The project is estimated to produce an average of 9,700 AFY with 6,200 AF allocated to Zone 7 and 3,500 AF to Pleasanton
- The total project cost is estimated at \$42 million with \$27 million allocated to Zone 7 and \$15 million allocated to Pleasanton
- Zone 7 and Pleasanton staff negotiated draft term sheet for Phase II and Phase III based on the completed Feasibility Study and BODR. The draft term sheet is similar to the existing agreement between Zone 7 and Dublin San Ramon Services District (DSRSD).
- Recommend the Board authorize and direct the General Manager to negotiate and execute cooperating agreement with the City of Pleasanton to design, construct, and operate the Regional Groundwater Facilities Improvement Project – Phase II and Phase III



**WATER
AGENCY**

Questions?