



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

8-3

September 17, 1993

To: Board of Directors (Engineering and Operations Committee--Action)
Board of Directors (Finance and Insurance Committee--Action)

From: General Manager

Subject: Revision No. 8 to Appropriation No. 560 for the Domenigoni Valley Reservoir Project to Increase Funding from \$307,300,000 to \$419,300,000 to Finance Remaining Costs in Advance of Award of Construction Contracts

Report

At the time of approval of the Final Environmental Impact Report (FEIR) in October 1991, your Board authorized Revision No. 6 to Appropriation No. 560 to finance the costs for planning, land acquisition and design in advance of award of construction contracts. Revision No. 7 appropriated funds to finance estimated costs for the construction of the San Diego Canal Relocation in January 1993.

Following FEIR certification, the project budget was included in Metropolitan's Fiscal Year 1992/93 and 1993/94 Capital Programs. The budget incorporated total costs of the project escalated to the mid-point of construction and has remained unchanged to date. Staff has provided status updates regarding fiscal and design performance of the project through Quarterly Reports to your Board.

In the past two years, the project has expended funds for land acquisition, design, and mitigation work. The construction contract at the San Diego Canal has now been awarded, with funds appropriated for this work under Revision No. 7. An additional appropriation of \$112 million is necessary to finance the remaining costs of land acquisition, design, and mitigation in advance of award of major construction contracts for the dam and powerhouse facilities. Of this appropriation, \$69 million is required for budgeted expenditures for lands, relocation benefits, and appraisals, and \$30 million is necessary for the increased cost of additional lands at the Eastside Pipeline, Newport Road and reservoir required for project purposes. This increase is being managed within contingency funds included in the project budget. The appropriation also includes budgeted expenditures of \$13 million to support an accelerated pace of design development and mitigation implementation. Expenditures through August of this year are \$275 million, within a total appropriation of

\$307 million. At estimated expenditure rates, appropriated funds will be depleted by January 1994. This appropriation is contained in the overall project budget included in the Capital Program, with total project costs remaining unchanged (see attachment 1).

Board Committee Assignment

This letter is referred for action to:

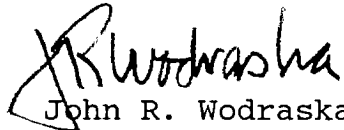
The Engineering and Operations Committee because of its responsibility for the operation, protection, and maintenance of plants and facilities and responsibility for construction programs and work pursuant to Administrative Code Section 2431(c); and

The Finance and Insurance Committee because of its authority over requests for authorization of appropriations pursuant to Administrative Code Section 2441(d).

Recommendation

ENGINEERING AND OPERATIONS AND FINANCE AND INSURANCE COMMITTEES FOR ACTION.

It is recommended that an increase to Appropriation No. 560 be authorized from \$307,300,000 to \$419,300,000 to finance remaining costs in advance of construction of the Domenigoni Valley Reservoir Project.


John R. Wodraska

DGM/RAC/mkh

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September 27, 1993

Attachment

FISCAL STATEMENT
Domenigoni Valley Reservoir and Related Facilities
(Program No. 5-5600-11)

Project Summary:

	Total Project		Pre-Construction	
	Project Budget	Project Forecast	Current Approp.	Total Approp.
Planning	15,000,000	15,000,000	15,000,000	15,000,000
Land	237,000,000	267,000,000	168,000,000	267,000,000
Mitigation	32,000,000	32,000,000	14,000,000	20,000,000
Design	105,000,000	105,000,000	98,000,000	105,000,000
Construction	1,229,700,000	1,229,700,000		
Recreation	33,000,000	33,000,000		
Contingency	186,000,000	156,000,000		
TOTAL.....	\$1,837,700,000	\$1,837,700,000	\$295,000,000	\$407,000,000
Total Appropriation Incl.				
San Diego Canal Construction.....			\$307,300,000.	\$419,300,000

Appropriation Summary:

	<u>Rev. No. 8</u>
Labor and Additives	\$14,100,000
District Furnished Equipment	200,000
Incidental Expenses	2,800,000
Professional Services	126,400,000
Right of Way Acquisition	244,000,000
Operating Equipment	13,900,000
Administrative Overhead	6,900,000
San Diego Canal Relocation	11,000,000
TOTAL.....	\$419,300,000

Estimated Funds Required:

Initial	\$8,300,000
Revision No. 1	5,000,000
Revision No. 2	45,000,000
Revision No. 3	20,000,000
Revision No. 4	15,600,000
Revision No. 5	12,000,000
Revision No. 6	189,100,000
Revision No. 7	12,300,000
Revision No. 8	112,000,000
Additional	1,418,400,000
TOTAL.....	\$1,837,700,000

Source of Funds:

1992 Revenue Bond Construction Fund
Standby Charge

Class One:

Projects directly related to
delivery of water.

Projected Expenditures of Funds:

Through Fiscal Year 1992/93	251,800,000
Fiscal Year 1993/94	112,100,000
Fiscal Year 1994/95	88,900,000
Fiscal Year 1995/96	360,800,000
Fiscal Year 1996/97	315,500,000
Fiscal Year 1997/98	312,500,000
Fiscal Year 1998/99	321,300,000
Fiscal Year 1999/2000	63,700,000
Fiscal Year 2000/01	4,100,000
Fiscal Year 2001/02	3,700,000
Fiscal Year 2002/03	3,300,000

TOTAL.....\$1,837,700,000
