

May 21, 1999

To: Board of Directors (Budget and Finance Committee—Information)
(Engineering and Operations Committee--Information)

From: General Manager _____

Submitted by: Chief Engineer _____

Subject: Monthly Project Status Report for the Eastside Reservoir Project –April 1999 [Any discussion of claims will be heard in closed session - Conference with Legal Counsel - Significant Exposure to Litigation (two matters) pursuant to Gov. Code Section 54956.9(b).]

RECOMMENDATION(S)

For information only.

EXECUTIVE SUMMARY

This report summarizes progress and provides highlights for the Eastside Reservoir Project for the month ending April 1999, and for actual costs as of March 1999.

DETAILED REPORT

The Eastside Reservoir Project remains on schedule for initial filling in November 1999. As reported previously to the Board, the project budget is projected to increase from \$1.972 billion to \$2.192 billion. Current project information is attached, reflecting total budget and schedule summaries.

The West Dam, Saddle Dam, and Forebay contractor, Atkinson-Washington-Zachry (AWZ), continued placing materials in all areas of the embankment. Placement of material at the Saddle Dam, which had been deferred, resumed in April (74% complete). The West Dam embankment is 170 feet above the original ground elevation (87% complete) and is maintaining an embankment placement rate sufficient to meet the forecasted completion date in November 1999.

The East Dam contractor, Kiewit-Granite, is placing embankment material in the south end of the East Dam, having brought the north end up to within 10 feet of the dam crest (74% complete). The contractor has requested an extension of time for the delays the contractor believes were caused by shifting from a three dam to a two dam segment construction sequence, and on that basis, is forecasted to complete in February 2000. However at current placement rates, work is anticipated to be complete by late December 1999. The contractor has been asked to submit a revised schedule which shows

both the impacts of the changes from the three dam to two dam segment construction sequence and the results of the progress he is making in placement rates.

The P-1 Pumping Plant contractor, Advanco Constructors, continued with foundation work; installation of electrical, HVAC and piping materials; installation of pumps and motors; installation of various architectural components; and initiation of assembly of the spherical valve. Work is forecasted for completion in January 2000, however formal turnover of the pumps to the Metropolitan start-up team will begin in September 1999.

AWZ, the Inlet/Outlet Tower contractor, continued with placement of structural concrete and mass concrete in areas of the emergency gate, valve tower, and anchor head. Work is forecasted to complete in January 2000. The Inland Feeder Pressure Control Structure contractor, Advanco Constructors, continues to perform work ahead of schedule and is forecasted to complete in October 1999.

The Secondary Inlet contractor, J. F. Shea Co., Inc., completed the installation and encasement of the steel liners in the north tunnel and began mortar lining in both south and north tunnels. Work is forecasted to complete in October 1999. The North Rim contractor, J. F. Shea Co., Inc., began placement of the invert slabs in the tunnels and is forecasted to complete in January 2000.

The West Dam Earthwork contractor, Ford Construction Co. Inc. completed mobilization and began removal and stockpiling of topsoil. He also began rough grading for the road to the Signal Spillway, Marina, and the High Water Road. Project is forecasted to complete in December 1999.

Remaining contracts to be awarded in order to complete the Reservoir Project, are the High Water Road (North and South segments), Signal Spillway, Fencing, Site Completion, Tank Saddle Cut-off Wall, Scott Road Extension, Highway 79 Improvements, State Street Improvements, and various contracts for Recreation Facilities.

CONTINGENCY REPORT

This month, largely as a result of moving any remaining disputed items from the project forecast (\$32.6 million), the project contingency increased by \$32.8 million, from \$53.0 million to \$85.8 million. In addition, the Borrow Area Backfill (\$3.4 million) was deleted from the forecast when it was assessed that the costs of construction outweighed the benefits, and forecasted costs were reduced for Site Completion (\$3.0 million) and Miscellaneous Construction contracts (\$3.0 million). Additionally, there were other miscellaneous changes which produced a net decrease (\$2.5 million) in forecasted costs. Offsetting these reductions were increases to forecasted costs for the addition of Reserve Trails (\$1.1 million), Spoil Area Aesthetic Treatment (\$3.5 million), and Paleontological Monitoring (\$3.3 million). The transfer and increase of costs for hydroseeding, which was a part of the dam construction contracts, to a new line item (\$3.8 million) added to the forecast.

ISSUES AND CONCERNS

While the project is proceeding towards an initial pump fill date in November and a timely completion of remaining work in the first quarter of 2000, there are several concerns which management is addressing which could potentially impact the schedule or cost of the project.

The Pumping Plant Contractor, Advanco, continues to work a single shift on electrical work and is behind schedule on wiring the pump motors and controls. An agreement is being negotiated to mitigate all remaining cost, delays, and disruption issues. However delays have occurred and a detailed schedule to complete all remaining work, which carefully integrates start-up activities, is being prepared to address this issue. This information will be available for review by the Board in August 1999.

Efforts are being made to avoid any construction schedule delays, which could require extended staffing of the Construction Management (CM) team, and increase CM expenditures. Potential quantity variations on the two dam contracts still remain, which could impact final costs.

Estimated costs of projects not yet designed or constructed total \$162,300,000. In addition, there is still \$238,600,000 remaining to be spent on work already awarded and underway. The existing contingency is considered adequate for the above items.

DGM/kv/hjg

Attachment 10-7A

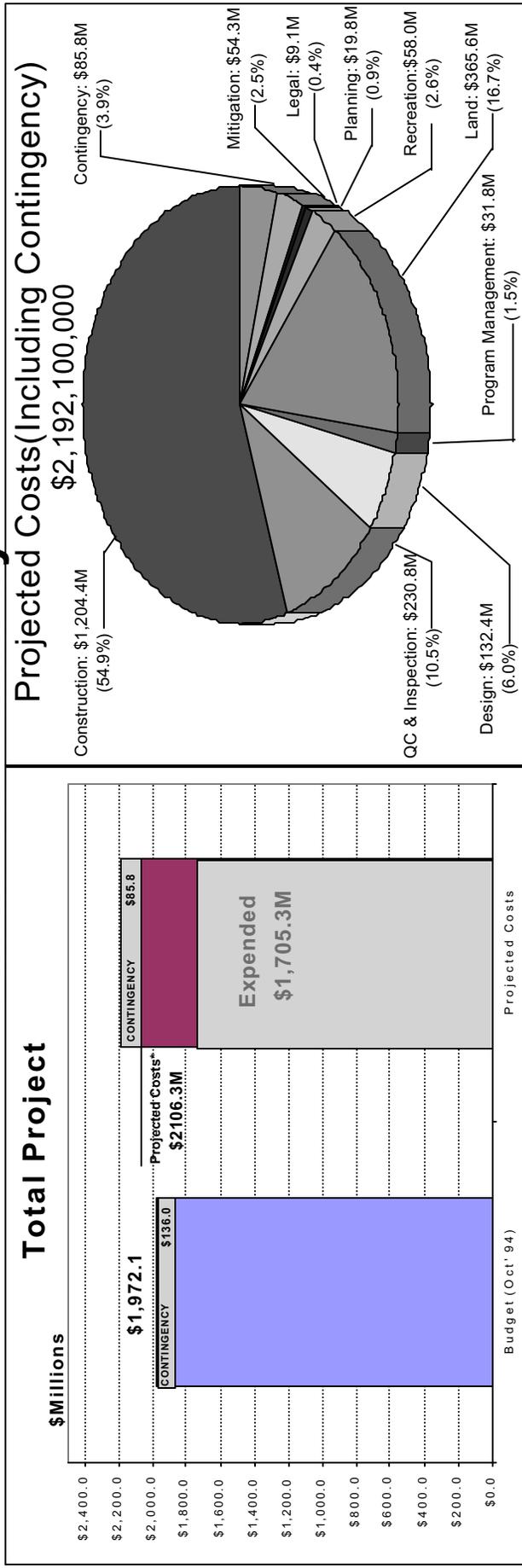
Attachment 10-7A

Attachment for 10-7

Engineering Division

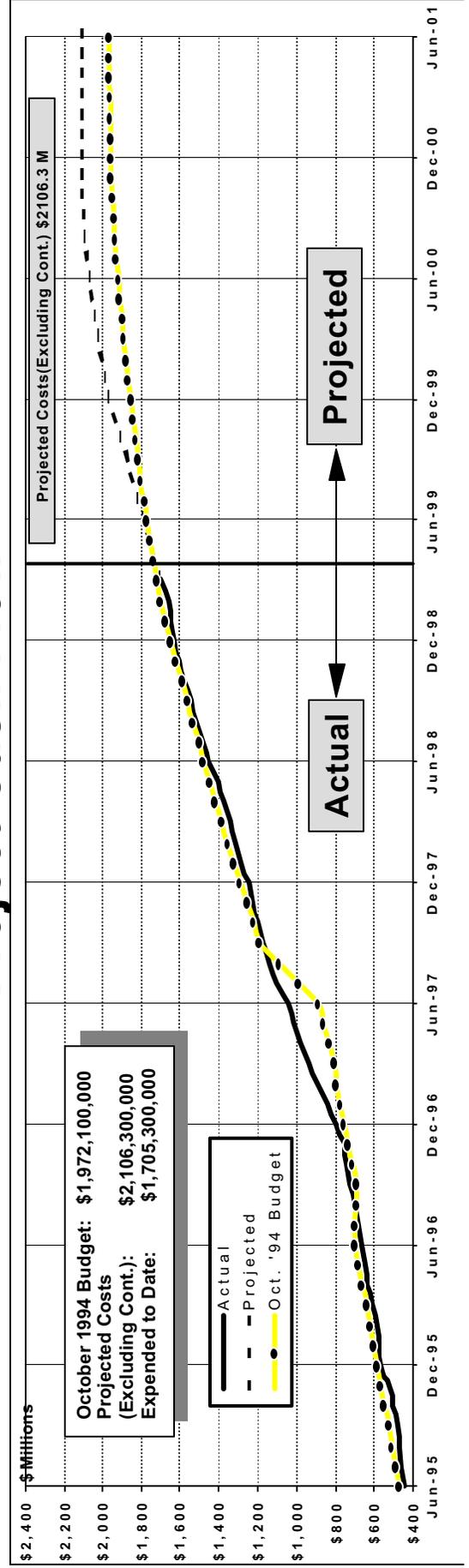
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Financial Summary



*Based on knowledge of current field conditions.

Project Cash Flow



Attachment for 10-7

Engineering Division

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Schedule Summary

DESCRIPTION	PROGRESS		COMPLETION DATE		COMMENTS
	PLANNED ¹	ACTUAL	CONTRACT ²	FORECAST	
P-1 Pumping Plant	76%	75%	Oct-99	Jan-00	Behind schedule due to continuing cable delivery delays. Current delay is expected to be recovered.
Secondary Inlet	82%	82%	Oct-99	Oct-99	On schedule
East Dam Embankment	77%	72%	Oct-99	Feb-00	Remains behind schedule due to changes in the sequence of construction (three dam sequence vs. a two dam sequence)
North Rim Remediation	62%	63%	Dec-99	Dec-99	On schedule
West Dam - Saddle Dam - Forebay	90%	90%	Nov-99	Nov-99	Embankment placement remains on schedule
Inlet / Outlet Tower	70%	72%	Jan-00	Jan-00	Ahead of schedule
Inland Feeder Pressure Control Structure	77%	80%	Nov-99	Oct-99	Ahead of schedule
West Dam Earthwork	14%	15%	Dec-99	Dec-99	Ahead of schedule

1. Current approved schedule 2. Original contract duration + approved extensions

Available Contingency

